

**BUDGET & FINANCE COMMITTEE  
FISCAL YEAR 2016-2017 DEPARTMENTAL BUDGET REVIEWS**

**MINUTES**

The Fiscal Year 2016-2017 Departmental Budget Reviews of the Budget & Finance Committee of the Council of the County of Kauaʻi, was called to order by Arryl Kaneshiro, Chair, at the Council Chambers 4396 Rice Street, Suite 201, Līhuʻe, Kauaʻi, on Thursday, March 24, 2016 at 8:52 a.m., after which the following Members answered the call of the roll:

Honorable Mason K. Chock  
Honorable Ross Kagawa  
Honorable Gary L. Hooser  
Honorable KipuKai Kualiʻi  
Honorable Mel Rapozo  
Honorable JoAnn A. Yukimura  
Honorable Arryl Kaneshiro

**Committee Chair's Budgetary Comments**

Committee Chair Kaneshiro: Good morning, I would like to call to order the Budget and Finance Committee and the Fiscal Year 2016-2017 Departmental Budget Reviews. Let the record reflect we do have a quorum. On today's schedule I will go through some ground rules for the budget proceedings, and then the Mayor and the Administration will be given time to present their Fiscal Year 2016-2017 budget submittal, followed by their Departmental Budget Reviews for the Office of the Mayor, Life's Choices, Youth Work Program, EEOC Coordinator, and Office of Boards and Commissions.

For the viewing public, each day during the budget proceedings, we will be taking public testimony first thing in the morning beginning at 9:00 a.m. The budget schedule is posted in webcast. The budget and presentations are posted online, if anybody is looking for it, or wants to take a crack at looking at the budget. With that, is there anyone in the public wishing to testify on the Mayor's budget this morning? Seeing none, I would like to call this meeting... I have just a quick presentation on budget procedures. It might be hard to see, but for the entire budget session, the Council Rules will be in effect with emphasis on Council Rule No. 6(f). 6(f) is no member may speak longer than a total of five minutes on the same agenda item and no more than two times. That is during discussion. When they do the presentations, questions and answers, we can have as many questions and answers as we would like.

A memorandum dated December 7, 2015 was distributed to all Members regarding the Fiscal Year 2016-2017 budget expectations. For Departmental Budget Reviews, please review all budget materials and prepare any questions pertaining to the budget prior to each scheduled review. If additional time is needed to compile a response, please transmit your request in advance to limit the number of follow-up questions at the end of each session. The Departmental Budget Reviews will follow the pre-established schedule, should any Departments or Agencies review finish before their allotted time, the next scheduled review will follow immediately. This is to minimize the need to schedule Budget

Call-Backs. Question and answer will commence after the respective department or agency has finished their presentation. Questions should be focused on the budget at-hand. The Administration has been asked to come prepared with key personnel to answer any questions relating to the budget in an effort to minimize the amount of written follow-up questions transmitted, which may take a considerable amount of time to prepare, and to avoid interfering with regular county operations. If you do not have your questions answered by the end of this meeting, at the end of each meeting, please E-mail it to them and give them time to get back to us. Decision-Making will be on Thursday and Friday, May 12 and 13, and Monday, May 16, if needed. Staff will be scheduling meetings with each Member between April 21 and May 3 to prepare any budget amendments prior to the Decision-Making session. Any proposal to add to the budget should identify the appropriate source that will be used to account for the budget increase. And with the increase, you need to provide a budget cut, or identify another source of revenue. Again, four votes are required to reduce or remove an item, five votes are required to increase or add an item. Decisions will be made department-by-department. The Committee will then consider any revenue proposals thereafter, if necessary. The Committee will not revisit items after it has been addressed, unless the Committee deems it absolutely necessary. I am hoping we do not have to readdress any of them as we go through this. And again, I just want to thank all of the Councilmembers, and the Administration, in advance for all of your cooperation. I know a lot of hard work has gone into this budget, and the presentations, and I am sure you are all looking forward to our questions. We probably provide a lot of stress to you guys, and you know, I am just looking forward to a very efficient, productive budget meeting. It will probably be a difficult session as always. I do not think there is ever an easy budget session. The Mayor has come with a balanced budget and we have challenges. There is going to be probably little to no increase to TAT. We have our increasing costs due to collective bargaining, and at the same time, while we are trying to cut costs we are still trying to improve upon our services and infrastructure. So those are the challenges that we have as a County address. And with that, just again, I ask everybody to be very cordial. We will ask good questions and hopefully we have a good budget the next couple of weeks of budgeting. I would like to suspend the rules and call up the Administration to present their Fiscal Year 2016-2017 budget overview. And again, Members, I ask that we hold our questions until after the presentations. With that, the rules are suspended. Mayor.

BERNARD P. CARVALHO, JR., Mayor: Good morning, Councilmembers. I am looking forward to some healthy dialogue as we move through the entire budget review process. I am happy to be here of course with our team. I just wanted to get right into it with some of the highlights, overview, and then give you some specifics of course as we sort through the budget itself. So as you can see, last Thursday, one week ago, I delivered my State of the County. *Mahalo* for all of you for being there. With the opportunity to present an overview of course. We continue to tackle the challenges facing our island, our home. It is the spirit of the people of Kaua'i and Ni'ihau that keeps me energized every day...our team members, and I am sure you as well. We try our best to collectively do what is best. From *keiki* to *kupuna*, they are the reasons why we are so privileged to serve. I would like to start this presentation with the successes that we shared. I did share this already, but this is more of a summary of all of the projects that we have done, that I delivered last Thursday. Pretty much the successes from Fiscal '16 and

update of some of our Holo Holo projects. We did receive or complete the Wildlife Hazard Assessment and expanded the traffic study to include the additional route. This is our efforts to site a new landfill. So this is just the process and work has commenced on the Wildlife Mitigation Plan. Of course, the Environmental Impact Statement is expected to be completed in 2017. So a lot of groundwork is already in motion, as we continue to look at the challenges before us, and addressing it one step at a time. We continue to dialogue with the Department of Health, Department of Transportation, sorry, Airports Division and the wildlife impacts that this particular location will have in close proximity to the airport. Happy with that discussion. Great progress has been made on this Holo Holo project. Of course, our Adolescent Drug Treatment and Healing Center. I thank you all so much for your support of the Resolution that will take it the next step further as we seek and sort through all of the informational pieces that are before us as we build this together. A Memorandum of Understanding for the five-acre parcel was executed in 2015. That is another partnership with between the County and Grove Farm Company. Last month of course in our efforts to move forward in a timely manner, the State Historic Preservation Division granted its approval of the archaeological assessment provided by consultant Belt Collins on behalf of the County. So that is one more step forward. We have the land of course and now with our Resolution in place, at least we have another opportunity to look and seek additional ways to fund this opportunity for Kaua'i. In this year's legislative package of course, we asked for funding for the construction and site improvements for this facility is also included as part of our CIP projects. I look forward to the next steps as we move forward.

Lima Ola. The vision for Kaua'i's first large-scale, green, affordable housing project. We are working closely on our 201H application to entitle Lima Ola's 75 acres for future affordable housing. With the 201H program, our team is working diligently on this opportunity to move this project quicker than others through the expedited process. This is a process that we have chosen to take on. The 201H process. Our team is working really closely with all the different partners. The design work for the infrastructure is also progressing with the initial phase of construction targeted for 2017. Again, this particular project is in conjunction with working with our Legislature and of course, all of the other partners.

Ke Ala Hele Makalae...we are looking forward to completing this last phase at least from Lydgate all the way to Kuna Bay. The last phase of this particular, wonderful opportunity for our visitors and residents to be healthy...the last phase is C & D, which is the Lydgate to Kapa'a section. If we can complete C & D which will connect the multi-use path from Papaloa Road to the traffic signal at the Kaua'i Village Shopping Center. That is the last leg to completely finish that particular part as we work towards the Līhu'e area. Our team is working diligently to move on that.

I talked about our bus shelters. We are moving on that. We are finished with Phase 2 of our bus shelter program. Seventeen new bus shelters by early next year and of course the total of 23 completed. The third phase is a \$1.5 million, with LED lighting at night. We have a nice cover for our people to wait patiently in a safe area for the bus to come by and pick them up. So we will provide the installation of approximately 28

additional shelters throughout the island in our third phase. That will complete the shelters throughout the island.

Shuttle services as we all know, the issues with traffic congestion and what is the right fit and what is the right answer, if you will. We are trying every way to do what we can. As part of the comprehensive strategy to address congestion, we are conducting the Kaua'i Transit Shuttle Feasibility Study. I know there are a lot of different studies happening. I believe that we need to do this. We need to add in all of the different opportunities as we move forward, the data obtained from the North Shore Pilot Shuttle, which I am happy that we did. That will be incorporated into this study. The draft study report is due this summer. I am really looking forward at seeing how we can better look at our north and south and east side areas to look at shuttle services that will take people on express routes, stop here and there as you can see the different colors that represent the different sites on our island. I really want to move on this as we look at moving our people safely and more efficiently.

The TIGER grant. We will talk about this again. This was a team effort. Our Congressional delegation, the Governor, the County Council, thank you very much. The community. The County of Kaua'i engaged a highly competitive...there were 627 jurisdictions throughout the country and we at the County of Kaua'i had the opportunity to receive this grant. It will enable our County to implement our Lihu'e Town Core mobility and revitalization plan, which we have talked about. Of course, we have to look at Rice Street and the design and how we can really attract mixed use development in our urban core and at the same time, what is the right fit and design that will really move people safely and in a healthy way...and of course being able to transform our community in a walkable/bikeable community. We are really looking forward to the results of that.

Hardy Street improvements, the roundabout there. Following the passage in 2009, and I wanted to state this again, that Act 54 by the State Legislature requires the Hawai'i Department of Transportation and the counties to establish policies that provide safe access for all users on public roadways. The Kaua'i County Council, our Council was the first in the state to pass the Complete Streets Resolution. So we as the Administration followed through on this requirement, if you will, and will seek whatever funding which the TIGER is part of this as well. We recently completed the Hardy Street improvement project, which is the first large-scale complete streets project. Again, following Act 54, from the Legislature, we took on the responsibility as the Administration and Council, so the improvements demonstrate our commitment to alleviate traffic congestion, make our streets safe, and now people of all ages can travel on Hardy Street in a more healthy way of travel.

Our eastside collector roads. I know we have talked about roads in so many discussions, which is a good thing. We completed this project in the beginning of 2016 with funding provided by the State Transportation Improvement Program (STIP) at \$2.5 million. This resulted in some major renovation work on Haua'ala, Mailihuna, and Olohena Road. These are the ones using this particular funding source. Another important recently completed road project was a \$2 million biennial Islandwide Resurfacing Project. Our

Public Works team has looked at how we are going to manage this and prioritize which roadways are getting resurfaced based upon the conditions and moving that forward. 12 local roads including 7.8 miles were repaved throughout the island over the past eight months. That is the progress so far. Our guys will be coming up later to give you more specific information.

I am very happy with our affordable housing as we move towards Phase 2 of Kaniko'o, our affordable housing rental complex over here in Lihu'e. We held this particular blessing just last month. This will add 30 more units, bringing the total units there to 90. This was just the groundbreaking, and we are also moving forward, in addition to Kaniko'o, which by the way we have two-bedroom units where *kupuna* can live with their loved ones, their daughters, their sons, their aunty, uncles, whoever, instead of having a service come in. That was the model, we wanted to look at. So Kaniko'o, I am very happy with that. We are moving forward with Koae, which is another workforce housing project on the south shore. Up to 150 multi-units will be built on 11 acres next to Kiahuna Golf Course. The consultant is on board and the consultant is Mark Development Group and so we are looking at the next "turn dirt" opportunity for this particular part of our island. This is 150 multi-family units to be built on these 11 acres. That is another opportunity there for housing.

Our Civil Defense team is again working every which way to upgrade our system, and training and all of that. The public safety radio system upgrade, third and final phase of the 800 MHz P-25 maintenance upgrade project at \$2.1 million in the State CIP funding. Completion of the project is anticipated by the end of the current calendar year. We are really looking forward to moving this forward to completion. Also with public safety, the digital radio standards. We are very happy with those particular projects and the progress we have made. Our tsunami warning signs are progress too. The team is working diligently to take every opportunity to keep Kaua'i safe from natural disasters.

Community partnerships. Us, we, the Administration and the County Council are always out there trying to connect our Kilauea Community Agricultural Park. Beautiful day, that happened this past Sunday. The Council Chair was there. Councilmember Chock was there, Councilmember Hooser. So it was really nice to be a part of this wonderful blessing. These 75 acres. I know it has been very challenging, but at the same time, it was very rewarding to be there with those people. The County established the first agricultural stewardship agreement for the Kilauea Agricultural Park and the blessing was held, as I said, this past Sunday. Aina Hookupu, Kilauea. A great opportunity for a non-profit to be formed by members of the community. Old and new and whatever. It was really nice to see the partnership and the collaboration with the people of Kilauea. Some of the opportunities are forthcoming. I did say in my opening remarks that this will be an example for the state and other parts of the country. It was really nice to see the energy and the people really being supportive and wanting to move forward. Yoshito L'Hote, he being the leader or the *po'o*, he is taking this project and moving it forward. His energy and his *manao* in gathering the right people around him. It was really nice to be a part of this first step. As we continue to get agricultural opportunities on our island of Kaua'i.

Kāneiolouma, we have talked about this. That project continues to move forward. Today, six years later, this project is entering Phase 3 of its restoration. As we progressed from when it was totally covered with growth, and now, we have what is there before us. Po'o Rupert Rowe and the team there really takes the lead and seeks all the different resources possible to bring this wonderful, sacred part of the island to the forefront so that people can enjoy and understand and learn and educate themselves.

Ke Ahu a Laka, our second cultural stewardship agreement with Presley Wann, again over all the way down on the north shore in the moku of Halalea. This one is preserving a wonderful hula mound. This is where a lot of our hula instructors and kumu hula go to reconnect. We are very happy to partner. Na Hoku Welo and Lainani over at Kukui Heiau is another one located in the moku of Puna right here in Wailua Bay...James Alalem is in charge. We are working with him to finally get the documents signed with the people at the table with people in that particular *ahupua'a*. Of course, Bronson Lovell out at the Hokualele Heiau out in the moku of Ko'olau out in Anahola...the whole part of that is we, encouraging our people to be stewards of the land...and we as government supporting as best as we can with resources and direction. It is all about working together to provide these benefits to our community. Na Hoku Welo of course with the Kaua'i Nui Kuapapa program. You, the Council knows about this and the public. We really want to keep going and the next phase is the *ahupua'a* signage. There is a website of course. We want to keep moving forward in identifying each moku and and the *ahupua'a*. You will be hearing about this continuously and I think we all agree that it is important and a great opportunity to get the curriculum part of it going too. This will engage our students and our charter schools and some of the other opportunities to educate our people.

I wanted to move right into the reengineering of government and some of the key areas that we have looked at internally to reconnect, readjust, reset the sails if you will. In this particular part, since I took office in 2008, we have been working to make a systemic change in government. As a civil servant for 17 years and as 6 years as a department head, and now as Mayor, almost 30 years total. I understand the internal makings and we are looking at internal readjusting or reengineering. With this particular part, I wanted to look at some of the things we have implemented in Fiscal 2016 in reengineering initiatives.

Our Vacancy Review Committee since its inception has eliminated 6 positions, dollar funded 3 positions, transferred 1 position. It may not seem like a lot, but the process is in place as we look at each vacancy and really navigate as to what, and how, and who, and where it should really fit into the operational needs of that department and how it will fit into the projects that are forthcoming, and working it into that particular structure. We have reallocated 7 positions saving the County over \$1.3 million in wages and benefits as well. So we included making sure that we covered that portion as well. The Committee continues to evaluate the various positions that are vacated and seeing what kind of opportunities we have as we move towards filling those positions.

The County Attorney's Office, we have a great team of attorneys who are ready to "Rock-N-Roll." They have organized into two distinct teams. I want the people watching to understand this. We are trying to make sure our legal team is doing the best they can, and in this particular part...a litigation unit and an advice and counsel unit...those are the two

new parts of the structure. This has resulted in significant changes in our County. The restructuring has led to a reduction in the need for special counsel, which we have talked about in the past many times. This has effectively decreased special counsel expenditures by \$557,000 in that area. I am happy with the restricting and reengineering if you will of our County Attorney's Office.

Electronic procurement...as we try to keep going and moving towards going paperless. We all talk about that, but it is coming. The first phase was launched seamlessly last year due to a large part in cooperation with the building industry moving forward. We assembled teams internally and externally to look at ways to move this forward. The new system allows for a completely paperless application process. I want people to understand how we are trying to do this. It is cumbersome, but at the same time, we are there. Just wanted to make it more user friendly, the interface, for the public. It is all about the public and how we work together on that. That is just another example. The eProcurement system...that has resulted in significant increases in efficiencies and effectiveness. We just talked to our people internally to see how and what we can do to continue to make it more efficient overall.

Human Resources Information System. A lot of good things coming from our Human Resources Department in many different ways. In this particular case, our existing system and adding new modules, software customizations to create an integrated payroll and personnel information system. One day, all of our timesheets will be all online and everything will be ongoing. Those are some of the parts that we really need to look at internally to be more efficient. Then we can really document that as we move forward. Thus far, we have launched the on-boarding program that will soon be implementing the employee self-service and performance evaluations. That is what we talked about yesterday about evaluations. We are expecting to go-live before the end of the year. The time and attendance module will follow. All of this is a work in progress and it takes time. We have a committed team to continue moving towards success in this area.

In Fiscal Year 2017, we plan to continue the reengineering process to incorporate more organizational changes. These include some of the discussions we have had in the past. I want to complete the formation of the Department of Parks and Recreation. We will be moving the employees from the Building Maintenance and Custodial sections to the Department of Parks and Recreation from Public Works. That is a transition there. This is for the completion of the Department. This initiative will complete the structure of the Parks Department that was envisioned when the County Charter was amended to create this Department. Having been a part of that, I remember all of that and it helps us to further work towards better efficiencies. This will also ensure greater coordination between the operations of our parks facilities and building repairs and custodial, and all of that. So we are in that process. You will see that in our discussions forthcoming with the various departments, namely Public Works and Parks.

I am very happy with this new permanent roving jetski working with Chief Westerman and the Ocean Safety team and looking at how we can move this Ocean Safety Bureau to expand their services. This jetski patrol performs daily periodic checks on unguarded beaches. That is another one that was brought to our attention. We said we

would look at that. There are relatively high rates of incidences at different parts of our island, including Lumaha'i, 'Anini, Larsen's Beach, Ka'aka'anio, Kalapakī, etc. Some of those areas that we will now have an opportunity with our pilot program to monitor. A pilot program was launched in 2013, but very limited in scope due to the lack of dedicated manpower. So we kind of reengineered and thought this whole process through and we are now looking forward to this preventative educational rescue measure opportunity that will be forthcoming with this roving jetski patrol program.

The Kaua'i Police Department, of course is doing some good work there and trying to be very creative in their discussions with our Human Resources team and our Management team. So with this particular part, will be developed and created an out of box multi-faceted reorganizational plan utilizing their School Crossing Guards. It is very difficult to fill these positions, but anyway, which have been for several years now. The first part of the plan, will take four of these positions and would create new police officer class positions PO 4 which enables the Kaua'i Police Department to meet its state requirement of providing traffic monitors around schools. This ties into the safety part of the Safe Routes to School, and within the schools as well with the ability to issue citations. The restructuring also increases enforcement of traffic laws, and overall safety around schools, as well as creates a pool of potential candidates. It all ties in to different levels of opportunities in this reorganization or reengineering of our Police Department. Additionally it provides a stronger police presence out there as well. Part of KPD's reorganization involves the conversion of 6 School Crossing Guards to meet the current needs of KPD. We went over that too. These changes will result in a reduction and I want to make this point, a reduction in overtime expenditures and an increase in accountability and personnel and facility inspections. So we look forward to that redistribution of some of the caseloads within this internal affairs section and will ensure regular audits of our body camera program. All of it ties into this opportunity. Budget proposals continue to move in the right direction and I will move to our Finance Director, Ken, to go into some of the charts and finish up and open up for questions. We will go right into the next part, which is our individual budget presentation. So Ken.

KEN M. SHIMONISHI, Director of Finance: Thank you. Last year, we started the budget message with moving in the right direction and this year, the Mayor's message is continuing to move in the right direction. As you can see, what we have here is a historical look at what we have used from the General Fund balance to actually balance our budgets. You have heard me say before, you can see from Fiscal 13 we used \$18.5 million, 14, \$11.7 and in 15, \$3.1. Last year, we used \$126,311. But when you compare the March submittal to last year's March submittal was actually at zero and this year we tentatively identified an increase in the general fund unassigned fund balance by \$820,000. So again, moving in the right direction and the philosophy as we work with our GFOA partners on a structurally balanced budget is a theme of recurring revenues to support recurring expenses.

I think this shows a huge improvement on where the county was and where we are going. Overall the budget increased 3.7% or \$6.9 million as our revenues increase by 41.0 or \$7.1 million. Looking at the overall operating budget by category you can see that for salaries and related amounts account for roughly 65.5% of the budget or \$127.3 million,



operations at 25.3% or \$47.7 million, our utilities at roughly 3.3% or \$6.2 million. And our debt service at \$9.9 million or 5.3 and what we contribute towards self-insurance, open space and our reserve, a little over a million dollars. 6%. If you were to look at the overall budgets by department, so this would be excluding the contribution towards our self-insurance, our reserve, the open space, as well as the debt service. Looking at just by departments, the largest department would be our public works department 21.7% of those expenditures are general fund. You can see our highway fund. Our solid waste, as well as our sewer, and then a little bit towards our beautification efforts. Followed by the next largest department would be our police at 17.8%, fire at 16.5%, followed by parks and recreation, finance, transportation, and 12 other departments making up the remainder of the budget.

Focusing in on our general fund expense: first by categories, if you look at the pie chart on the left, you can see that of our general fund expense categories 82.3% or \$103.3 million is directly related to our salaries, benefits, and collective bargaining, followed by our operations 15.1% at \$18.9 million, and then our utilities at 2.6%, or \$3.2 million. The chart on the right, the pie chart on the right takes that \$103.3 million of salaries, benefits and collective bargaining and shows us where those expenses occur, or budgets are occurring. So you can see that the police cannot for 28.1% of that amount or roughly \$29 million, followed by fire at 26.1%, or \$26.9 million. So combined, fire and police make up 54.2% of that salary piece of the pie, followed by parks at 11.5%, finance at 7%, public works, trans, prosecutor's, county clerk's office and so on. So again, the largest piece -- more than half of that is directly tied to our health and safety departments of police and fire. As far as our revenues, again we increase -- we saw increases in revenues of 4.1% over last year, general fund increased by \$6.8 million primarily due to real property taxes. Again, the rates real property taxes rates remain the same and this is primarily due to market conditions, new development, and so on. Our highway fund actually decreased, we decreased our projections by \$303,000, and this is due to as we enjoy lower fuel costs, so do we enjoy lower utilities cost. Part of the highway fund gets a portion of the revenue from public utilities company percentage of the gross revenues. As those gross revenues decline, so do the revenues to the county. Our solid waste increased by \$558,000 and this was attributable to the new collection fee structure that we implemented last year and our golf we're projecting increased activity -- golf activity and so we bumped it up by 95,000 dollars.

Looking again at our real property revenues this was information that was shared last year and so we just kind of go over it again this year. The chart on the right shows us the gross valuation by classification. You can see that the homestead class accounts for 30.1% of gross valuation, the largest piece of the pie in our real property taxes there at \$6.4 billion. The chart on the right shows us what are the taxes that we generate, the actual taxes that we generate from each of the categories, So considering that the homestead class accounts for 30.1% of the gross valuations we provided exemptions, dedications, or favorable tax rate. The homestead tax class accounts for 10.9% of the real property tax revenue in this Fiscal Year. And if you compare that to last year, that is represented 30.9% of the gross value and 11.3 of the taxes. So it's actually gone down a little. This is despite having 117 properties added to this category. Another way to look at the increase of \$6.4 million in real property tax increases, again, if you took the \$6.4, and looked at it as far as where is this coming from, by far the largest piece is coming from our

commercial sector, \$1.8 million. That is 22.6% increase over last year. Again, in the Mayor's message we identify there has been some new developments of the new Safeway, two new Longs, et cetera and followed by the hotel class at \$1.4 million and so forth. But again, if you look at the homestead class, of the \$6.4 million, \$213,000 is what we increased, if you could say "increase." because we actually had new properties added into the homestead class. So I mentioned yesterday the percentage increase over last year was 1.68% increase and we have obviously rounded that to 1.7%. So I think the Council and the Administration, again, we're doing tremendous work towards sheltering our residents and homeowners in this analyses.

As far as revenue opportunities: our Transient Accommodation Tax, I think many of you know that two bills that supported the state county functions working group's recommendations failed to advance out of the respective committees. Either bill would have provided the county with an additional \$8.6 million in fiscal 17. Currently the only TAT bill at the legislature seeks to make permanent the \$103 million cap to the counties, and establish another working group in 2022. The revised general tax surcharge bill remains at Council. I believe we're expecting to hear that the latter part of the April. Other than that, we have not proposed any revenue measures at this time. Any new or increased revenue measures at this time. Some of the additional needs that we have included in the budget include our solid waste RFP that is \$800,000, \$450,000 related to legal consult in the county attorney's office, \$300,000 technical assistance and \$50,000, financial, which is in the solid waste department. We have equipment replacement in this budget, the value of the equipment totaling \$3.2 million and \$1.85 million in solid waste, a little over a million in highways, \$200,000 in parks, \$104,000 in golf, but we are financing the equipment through lease at roughly \$792,000 a year debt service on that.

We have also included reroofing of the Līhu'e Civic Center and Līhu'e Neighborhood Center. That is at a cost \$1.2 million. That is in the budget and the homeless initiative that we have undertaken in agreement with Kaua'i Economic Opportunity to accommodate 20 additional beds is also in the budget. The total cost of \$240,000 is a total, but the actual cost on the general fund is I believe \$73,000 in the housing department. Some of the challenges: we see ahead obviously you guys had the unit 14 ocean safety bureau arbitration before you yesterday. That is estimated at an additional \$483,000. That has not yet been put into the budget. Recently we got our employees retirement system bill for what is known as anti-spiking bill and basically it is for employees who exceeded their base type of salary, so to speak and that amount came out to \$1.1 million for the county for Fiscal Year 15. \$984,000 to the county, \$172,000 to the Department of Water and this is felt by all counties across Hawai'i, as well as State Government Agencies. That was not included in the budget going forward, and we will look to see if departments are able to absorb this. I think there is probably maybe at least half of that would probably be coming before the Council as a money bill to fund. The Fire Department also has a request in for replacement of some badly needed equipment. Their self-contained breathing apparatuses, \$385,000 and turn out gear of \$324,000. We did not include this in the budget as we were attempting to get at least one of these items through a grant through the homeland security grant. It does not appear that will happen. So we will possibly come before the Council with a money bill to fund maybe the sgas this year and if not we will definitely include them in the May 8th submittal going forward.

Mayor Carvalho: In moving forward, thank you, Ken. I just wanted to also mention in some of the areas pressing needs throughout the island. I know we talked about the Solid Waste with \$800,000 of course, and moving forward on that we also have equipment replacement of \$3.2 million. So this is another one we have to look internally to really talk with our departments. So we can no longer delay the purchases of needed equipment. So this budget includes funds to address the backlog of equipment that has reached the end of their useful life and provide our County employees with the tools that they need to perform their jobs. That is another one that the \$3.2 million that you see and these resources are vital to ensure effective service delivery to the public. We talked about the reroofing of the Līhu'e Civic Center and homeless initiative that is included within our discussion of budget through an agreement with Kaua'i Economic Opportunity. The County is providing funds for bed space to accommodate 20 additional individuals at the facilities. The existing homeless shelter for a period of 18 months. This funding also includes the cost for janitorial, security and meals and overall package and working closely with the Kaua'i Community Alliance, made up of social service providers. They will provide the homeless with assessment services. They will have day services which they do not have now and the opportunity to spend the night with the additional beds provided and lockers. So the alliance, which I am very happy with, will be there to assess and provide services mental health screenings, substance abuse, counseling, job preparedness, budgeting and life skills. So we look forward to moving forward with KEO on this particular homeless project.

In the capital improvement program, \$65 million we spent -- let me clarify that again \$65 million spent from Fiscal Year 12 to Fiscal Year 16. \$11.2 million spent for Fiscal Year 16 thus far with \$1.5 million expected to be encumbered by June of this year. So this chart, as you can see, illustrates the success -- I am going say success, because we looked at managing our funds all the way through. You can see the graph showing that and allocating and making sure that we expend the funds accordingly per this particular chart. More discussions are forthcoming on this, but I wanted to make sure Capital Improvement Program, again, completed the Kōloa Road safety improvements. The resurfacing, like we talked about of the eastside collector roads. We completed the Pono Kai seawall and we did the Hardy Street improvements together. Others that are in progress, previous one was completed. We talked about the sheltered bus stops, Po'ipū Beach improvements phase 1 Puhi Road reconstruction Phase 1, Puupai Bridge replacement. The general plan update, Hanalei Black Pot beach master plan is moving forward. Hanalei fuel tank replacement and another one that was very important of course, the Kaua'i War Memorial Convention Hall and reroofing and internal improvements and Moana Kai seawall that's already moving and we had the blessing on that one. So Pono Kai and Moana Kai's moving. So those are some of the CIP projects that are in progress.

The capital improvement program new projects proposed for fiscal 17 moving on with the Hanapēpē fuel tank replacement, Hanapēpē stadium improvements, we got the bleachers, and some of the other things that are happening right now as we speak for Hanapēpē stadium. The food booth area I know and we are just redoing that whole area. The Līhu'e wastewater treatment plant improvements Phase 2, very important of course so we have that in there. Our TIGER grant project with the match for the funding and of

course Waioli Park with some of the fencing and the engineering down at Waioli Park for our activities down there. So those are the projects proposed for fiscal year 17. We also have a cip request to the State Legislature, as you can see in this particular slide our Adolescent Treatment and Healing Center \$5 million and again, with our resolution, we will just add to an opportunity and support. Veterans cemetery \$700,000, and this again is to add on to renovating the existing area to really bring it up to the standards that meets all the standards throughout the country.

Our centralized Auto Maintenance Facility, Fire Department helicopter hanger. We got the helicopter, but no housing for the helicopter so Chief Westerman and the team really -- we have this in there and of course Salt Pond master plan. We talked about that from the past and we really want to move on those projects and that is currently in our cip request to the legislature. So in wrapping it up, moving ahead together, our department presentations will follow. Each department will come before you, Councilmembers as we do each year, to field any questions or specific questions you may have based on all of the areas, of course. And then looking forward to the healthy dialogue, just a snapshot of what I delivered last Thursday. So I really, really feel good about our fiscal team, our budget team, who really worked hard to try their best to get the information together, to answer your questions, and try to give even suggestions of scenarios that fits where. And so what we have presented to you is what we have -- it's a balanced budget.

We tried our best to be creative in so many different ways, but at the end of the day, it's all about right here on the table. Mr. Kaneshiro and Councilmembers, thank you so much for the opportunity to open up this dialogue and look forward to some healthy discussions. Like I said earlier, be assured our team has done all that they can to work so hard in getting whatever information they can. So they can get information for you folks to help make the decisions. Thank you so much. Thank you. [Applause]

Committee Chair Kaneshiro: Good job, great presentation. I know you guys put a lot of work into it. The presentation covered a lot of information, covered a lot of your successes in the past and what you guys are working on coming into this new budget season. I am going open it up for questions, but I am going to have the Councilmembers use your discretion. If you have a question on this presentation that is going to come up in a future budget meeting, then I would say put that question on the side. And when we get into this particular budget that is where we will try to hit the questions. If we have general questions on the overall budget or anything like that it address now, I think right now would be the appropriate time. Again, if there is anything specific that is going to come up in our later budget meetings, I would ask that we please hold that to our later budget meetings.

Council Chair Rapozo: I have a question.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Thank you for that very easy to follow and very easy to digest. I do have one question and it's on slide 34. The challenges ahead. Can you explain the second bullet, that ERS act 153? You touched on it, but I am trying to figure out

how did that bill create this additional liability? And I understand -- I know what the bill is, the anti-spiking. But is that something that all the counties did not foresee what the impact would be? I do not get how the additional --

Mr. Shimonishi: Yes, that is correct. We actually have a conference call that we want to schedule with the ERS to actually get the details of their computations. They actually gave us a list of employees that I guess you could say that counties -- county was contributing towards their retirement system, but that did not factor in when they have their high 3 salary years. So basically what the ERS is saying because the contributions that the counties were making at the time were not sufficient to cover that high 3 period and we are going to bill you for that high 3-year period and to understand that whole --- what is it going forward? I think in probably -- was it 2012 is when they eliminated that high 3, so to speak, benefit that they the employees were getting. We will continue to see this type of additional costs to the county going forward; which would depend on how many employees are retiring? What they did?

Council Chair Rapozo: So we are going to have to somehow budget for that. We do not know what to budget, because we do not know what that person's high 3 is.

Mr. Shimonishi: Exactly and we would want to have a conference call to see if there is any way we can get some kind of foresight on that. We received the bill, I think it was March, when we have already prepped the budget and had it ready to go, but obviously it was something we thought should be brought forward.

Council Chair Rapozo: And that anti-spiking bill only impact the people hired after the bill passed right?

Mr. Shimonishi: Yes, I guess you could say everybody hired before that we were on the hook for.

Council Chair Rapozo: Right. So it is quite a while.

Mr. Shimonishi: It is years in the making.

Council Chair Rapozo: But at some point it will result in some savings.

Mr. Shimonishi: Yes.

Council Chair Rapozo: At some point.

Mr. Shimonishi: Right.

Council Chair Rapozo: But for the next probably -- geez, 20 years actually longer, maybe 30 years.

Mr. Shimonishi: In our lifetime, maybe.

Council Chair Rapozo: Okay. Thank you.

Councilmember Yukimura: I have a follow-up to that question.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: So it is really the bill that is incurred by employees who were not covered by the anti-spiking bill right?

Mr. Shimonishi: That is correct. It was employees prior.

Councilmember Yukimura: People under the old system that could rack up a lot of overtime and then add it to their pension basically.

Mr. Shimonishi: Right. Or could have been they were temporarily assigned to a higher position, you know, I think there were instances maybe in police. By and large, you are correct.

Councilmember Yukimura: Right. So it is only when the new employees who are covered by the anti-spiking bill, which says you cannot include overtime in calculating your pension, am I correct?

Mr. Shimonishi: I believe that is the basis. I am not sure of exactly what the specific language is.

Councilmember Yukimura: Right and that bill was passed a couple of years ago, maybe?

Mr. Shimonishi: In 2012 is my understanding.

Councilmember Yukimura: Okay, so we are going to see this bill to the counties until the only people left working are the people who came in 2012 or thereafter.

Mr. Shimonishi: That is correct.

Councilmember Yukimura: Okay. So I would like to get a breakdown of the County by department. You have broken down between the County and the Department of Water, but the breakdown by departments, if we can.

Mr. Shimonishi: By and large, it is mainly affecting our police and fire departments, but we can get that for you.

Councilmember Yukimura: Okay. Thank you.

Committee Chair Kaneshiro: Thank you for that clarification. It kind of sounds contradictory that we have an anti-spiking bill, but we are seeing an increase in costs. Again, fortunately the anti-spiking bill came into effect, but unfortunately, we still have to

deal with the lingering effects of everything that happened before it. So thanks for that clarification. Councilmember Kuali'i.

Councilmember Kuali'i: Just a quick question on the same slide, the bullet above that. So being that the arbitration award is in place, where will we see the \$483,000 budgeted?

Mr. Shimonishi: We would add that into the Fire Departments Ocean Safety Bureau.

Councilmember Kuali'i: Okay.

Mr. Shimonishi: Adjusting their salaries and benefits accordingly.

Councilmember Kuali'i: What is the line item that you said again?

Mr. Shimonishi: The Fire Department, the Division of Ocean Safety.

Councilmember Kuali'i: Under "salaries?"

Mr. Shimonishi: It will be imbedded in the salaries and benefits.

Councilmember Kuali'i: Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Before my questions, I want to commend your presentation Mayor, and in particular I want to really say how impressed I am by your community partnership program. I think more than any other Mayor you have really carried that forward and built a working example of how to work with community and citizens, and I really appreciate it. I also want to say that your accomplishments in government efficiency and effectiveness are also to be commended. I think the fact that your vacancy review committee has not only saved over half a million dollars, but has also reconfigured positions so that they will be more effective.

We will be addressing the newer needs as we go along, is really a fine example of government efficiency and your electronic procurement is -- you do not have any savings attached to that, but I think in the long-run, it is going to save a lot. Of course, I am very pleased with your Human Resources information system. And I am looking forward to something that I have been hoping and wishing for more than 8 years now, the time and attendance system that is going to make sure that our payroll is accurate, and neither the county, nor the employees are losing out wrongfully. Very great momentum in your CIP, I think we are catching up with the Department of Water now, thanks to Keith Suga. And I think it shows how important it is to have knowledgeable, competent, dedicated staff, because that is the key to moving forward. And speaking of knowledgeable, competent, and dedicated staff, I want to especially acknowledge your Managing Director in this area of

vacancy review. Also your department heads, which have been working with her, really good work in these areas and congratulations and thank you.

So in terms of my questions, you say that the Lima Ola project is green, and I want to know how it is green when it does not allow mixed-use. And is it way out away from job centers and it is going to cause so much commuting and traffic?

Committee Chair Kaneshiro: And again the Lima Ola project might be better addressed in housing. So please let me know? I have not looked through the entire budget, but if that will be addressed in housing let me know

Councilmember Yukimura: Well, if you allow me to praise the Mayor, would you please allow me to ask some questions? He is the one who is saying it is green. I would like to ask him the question.

Mayor Carvalho: Is it green to me?

Councilmember Yukimura: Yes.

Mayor Carvalho: When I was brought up, I was brought up in Keālia Camp and my thinking vision that to me was green. Because everybody lived on the perimeter and there was a park in the middle. Everybody had a little garden, and everybody worked together, and that was the community setting. You could walk to the store. You could walk to the dispensary. You could walk down the road and everybody helped everybody.

Councilmember Yukimura: Well you are not going to be able to walk.

Mayor Carvalho: So you are asking my thinking?

Councilmember Yukimura: Yeah.

Mayor Carvalho: This is what I am saying. We are trying to incorporate the green thinking of the layout, of catchment basins, of incorporating solar trees if we have too, that is the green I am thinking. Now, there are challenges as we sort through the discussions with our departments, but they know the vision is there and that is my responsibility, I feel, to give the vision and to see our kids playing in the middle, and all of the houses on the perimeter. If it is one path that makes it down the middle of this development, then it is one path that makes it down the development. To me, that is green. and whether it be mixed-use, not use, whatever use, we are trying to get it as green as we can. So you asked me and that is my answer.

Councilmember Yukimura: Thank you very much. I just want you to know that in the LEED neighborhood standards of green standards, often times all of the changes made to the house and to make it green are disqualified for a green project because of where it is located. I think that is one of the big issues.



Mayor Carvalho: Yes. I shared that vision with our team and they incorporated as best as they can with the discussions with the people they get involved with, and I am hoping that all of this ties into the vision.

Councilmember Yukimura: In an objective review of it, it does not and that is why I asked the question.

Mayor Carvalho: Okay, thank you.

Councilmember Yukimura: Thank you. So---

Committee Chair Kaneshiro: Councilmember Kagawa has a question.

Councilmember Yukimura: Surely, go ahead.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: Thank you. Ken, I think you are doing a fine job as Finance Director, very proud of you, thanks. I was looking forward, since today was the budget overview, the beginning. I was looking for a sheet, and kind of for the viewing public that they could see basically last year's revenues, last year's expenses, in comparison with this year's projections. So I was wondering what sheet would best or what page would best depict that. I see some figures that we expect our revenues to go up by \$7 million, I believe, and increasing revenues of \$7.2 million over fiscal 16. And I am looking for the page for the expenses. I would like to see if we had something side-by-side, where we could see what the revenues and expenses were. Just like on a one-page summary and the public clearly knows, okay, this is where the county stands this year in comparison to last year?

Mr. Shimonishi: Thank you for asking Councilmember Kagawa. We did not include a side-by-side comparison to that extent in this overview. Part of the Mayors budget message, we have a table that has the side-by-side on the expenditure side.

Councilmember Kagawa: Okay.

Mr. Shimonishi: But --- but, since you brought that up and this is something that I wanted to touch on before we left the discussion part of it, is that we have taken the budget and we have put it on our open gov transparency platform, for Councilmembers, for Council staff, for the public, who all you need to do is go to [kauai.gov](http://kauai.gov) website under "government." and then "finance." click on that. You see this transparency open gov portal. Clicking on that gives you a brief description of how this works, but you actually launch this portal by clicking on this button. And again, this is all public information out there. You just saw me go to the website.

Councilmember Kagawa: Okay.

Mr. Shimonishi: We have a few reports listed here budget FY-17 versus FY-16. In this particular report, if you go down, you have views that are saved and

this particular view says, "By fund excluding debt service, open space reserve contributions." but if you go further down, it will tell you by fund, what was the fiscal 16 budget, what is the Mayor's request, what is the variance and the change in percentage. So if you go down by fund, again, you can see all of the funds, total right across, again excluding the contributions towards our self-insurance, our reserve, our open space, and our debt service. So that is one view that we can look at for the public, the public having access. If you wanted to see the salaries and related category in this view, you just click on the different views. Again, it would provide you basically general fund was \$97.8 million and now at \$102. 4.7% and so on. So we have the different views that people can look at to see where our budget was or is. So that is under this budget. I have also included in annual operating budget ordinance report and this gives you from the current year's request all the way back to fiscal 10. And again, if you wanted to look at it in a different fashion, you can see the general fund, where it has been and where it is going, as well as other funds. Any place you see the hand, you can click on and drill-down into it. So that is kind of what we have available for public viewing. Also, clicking on the filters, you can change through -- I want to see the revenues. What we are budgeting now. What was last year, what was the year before, and so on, so I really encourage the members as well as the staff to become familiar with this product and if you guys have any questions about it, I am happy to assist anyone going forward.

Councilmember Kagawa: That's a great vehicle for the public to look at. So I thank you for sharing that with us. You answered my question. Thank you.

Committee Chair Kaneshiro: Great question, Councilmember Kagawa. Thank you Ken, for bringing that up because anybody can access that and anybody can see the numbers. It is actually pretty user-friendly, and it is visually easy to see. It is just a good way to look at the budget, if anyone is interested in looking at the budget.

Councilmember Kagawa: If I could just follow-up. I guess when we have the revenue projections, maybe we can have something side-by-side, just as a beginning point. Because I think when you have all of these different funds and areas that revenues are coming in, it just would be good to see what is total. Where were we last year? Where are we going to be next year with our projections in assessment going up, and how much money are we talking about? I think that would be a good financial place to start. Thank you, thank you, Chair.

Committee Chair Kaneshiro: And not to quote the Admin, but again this program is going to save us a lot of time also. Each one of us Councilmembers have different requests for what we want to see, and they are able to create the template, set it up, and not have to create the template every single year. It will go into the spreadsheet and it will be ready every single year. It is just a great system to have. Councilmember Yukimura.

Councilmember Yukimura: Thank you. Yes, thank you very much to you, Ken, for getting this tool and making it available to all of us it is really a great step forward in transparency and accessibility of information. And you know, I sort of missed in my compliments in talking about maybe one of the best advancements your administration has

made, mayor, and that is your slide 25, which shows how much less and less we used of our general fund balance to balance the budget. So I mean we were at a crisis situation a few years ago and you have really pulled us out. Although I must say that has been with the cooperation of the Council.

Mayor Carvalho: Yes, very much so.

Councilmember Yukimura: And so at least some Members. And I want to look at slide 31, is it? Where you talked about the revenues that are allowing us to balance the budget? Can we show that, three please? Slide 31, these revenues -- the pie chart shows where the increases in this year's budget came from in revenues is that correct?

Mr. Shimonishi: This shows where the increases in the real property --

Councilmember Yukimura: Oh, yes.

Mr. Shimonishi: Revenues came from.

Councilmember Yukimura: Ok, just real property.

Mr. Shimonishi: Yes.

Councilmember Yukimura: Thank you. So the revenues from the real property increased this budget by \$6.4 million.

Mr. Shimonishi: That is correct.

Councilmember Yukimura: You have broken down to show us the sources of that increase. So that residential investor category, is it a category we created two years ago now?

Mr. Shimonishi: I believe, yes, that was about the time.

Councilmember Yukimura: And so this is a class of residential property that is \$2 million or more in value?

Mr. Shimonishi: Correct.

Councilmember Yukimura: Which is not owner-occupied, so not used as a primary home and it is not used for long-term rental?

Ken Shimonishi: Yes.

Councilmember Yukimura: So it is basically investment speculative properties. Okay. It will be my characterization, not yours. So we are getting \$1 million more this year in that category?

Mr. Shimonishi: Yes.

Councilmember Yukimura: So what is the total amount we are getting from that category?

Mr. Shimonishi: I think that was sent over as part of the real property tax roll. I do not have it in front of me.

Councilmember Yukimura: Okay, I just wanted for us and the public to know, because I voted for this category because initially, it was going to produce about \$1 million and that is how much we needed to keep our housing department afloat. And I thought it was really a logical nexus that you know the cause of high cost of housing would be asked to help support our housing office to create affordable housing. I was just curious what that class is producing right now.

Ken Shimonishi: So the residential investor class is producing \$7.3 million of real property tax revenue for this year.

Councilmember Yukimura: Okay. To me, that is a way of creating policy that addresses the increasing gap of inequality in our community. So thank you for that. Commercial you said is largely because of the new developments that have been coming up, such as the Safeway shopping center?

Mr. Shimonishi: I believe those were -- yes, contributors towards that class.

Councilmember Yukimura: And then the hotel and resort came out of the changes we made time share, removing the artificial formula evaluation for time share and allowed it to be more according to actual values. Is that correct?

Mr. Shimonishi: I would have to look back at what the exact methodology was, but I know there was a change in the valuation, you are correct.

Councilmember Yukimura: Okay and I think we did a small increase in hotel rate. Okay. Thank you. I think I understand where we were going. And my last question.

Committee Chair Kaneshiro: Councilmember Yukimura --

Councilmember Yukimura: Yes.

Committee Chair Kaneshiro: Councilmember Kualii has a follow-up.

Councilmember Yukimura: Okay, go ahead.

Councilmember Kualii: It is on that same slide, the section 1.7% homestead \$213,000. Ken, you had said that is a result of new properties. But is it not also

a result of new properties and higher values? And can you break down that by the two pieces? Or would I be able to look at it on the website that you showed?

Mr. Shimonishi: Just to be clear on that website, that is only the budget at account-level and does not give you all the details that you see in the worksheets, but just as an account-level total. And I guess what we are saying is that we added 117 properties into the homestead class compared to last year. So obviously that is a contributing factor to that increase that we see now. How much was from those 117 versus people in the homestead class previously that could have gone up or down and we do not have that detail. At least not readily available.

Councilmember Kualii: But it would all be part of the \$213,000?

Mr. Shimonishi: That is correct.

Councilmember Kualii: As far as the both types we talked about new properties that came into the category, existing properties that, though the rate didn't change, the value might have gone up so the collection might have gone up.

Mr. Shimonishi: Up or down. Correct.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: You will probably have more on this in the revenues section later on?

Mr. Shimonishi: Yes. We shall invite Mr. Hunt.

Committee Chair Kaneshiro: Council member Yukimura.

Councilmember Yukimura: Thank you. So on slide 33, on the homeless initiative mayor, I just wondered what the goals are for this initiative.

Mayor Carvalho: Well --

Councilmember Yukimura: And what the measurable are?

Mayor Carvalho: We had that summit if you recall.

Councilmember Yukimura: I know but I did not think the summit's conclusions were just to do more homelessness.

Mayor Carvalho: It was about the relationships that were built at that summit of all the people that came, and from that, there are different parts of it. But working with KEO, I felt strongly that could be part of the bigger-picture. And because KEO's facility was not being utilized throughout the day, they only utilize it at night to

house some of the homeless/houseless. And we took the opportunity once it opened to open up for the assessment center, opportunity there, so they can get there. They have a hygiene station and lockers throughout the entire day, but we had to work with KEO on getting that and that's just part of the solution. We got that going and the additional beds at night. We added 20 more beds, so that takes care of night-time part, but the assessment. We have to understand what the needs of the houseless community is, so with the various commitments from the agencies to be housed there, and work closely with KEO. That was just part of the picture for 18 months and the funding that went there. They got a grant of \$155,000 to help with the day use and we went in with the night-time portion of it to help support that. That is the bigger-picture.

Councilmember Yukimura:                      So you are going to have 20 additional beds for 18 months and then what?

Mayor Carvalho:                                      Well in the meantime, we are working on working with the churches and other opportunities. We have our housing agency trying to look at the next steps, if you will. For now, this is just part of the next steps and we are working collectively, whether it is micro units or other assessments and vouchers that they can get. We are also looking at some voucher programs to see if some of our houseless would like to travel back from where they came from. We talked about that, which is an opportunity to bridge and connect back to the agency of family member, and just sharing some of that. I got some churches willing to house cars on their property. So you have got that program that is being talked through. Whereas, I could have three families living in their car right now, they could park on the property and have access to restrooms and sleep safely at night. So that is another one. That is kind of like the big-picture. The Housing Agency will be coming forward to explain the bigger-picture and some of the details of the houseless program we are looking at.

NADINE K. NAKAMURA, Managing Director:    Just to add to what the Mayor just said, I think there are some bills at the legislature to look at additional funding for homeless programs. I believe the policy question is whether those funds will go directly to the State, or whether they go directly to the Counties? I think that is the policy decision that is being made at the State-level.

Councilmember Yukimura:                      Okay. I mean, I guess I am trying to get a sense of what the overall plan is. And that is not clear. May I presume during Housing's presentation we will have that?

Mayor Carvalho:                                      Yes.

Councilmember Yukimura.                      All right thank you.

Committee Chair Kaneshiro:                      Councilmember Kualii.

Councilmember Kualii:                              So on the same slide, my basic question is general in nature. Where in budget is this \$240,000 showing up?

Ken Shimonishi: So again, only the general fund in the housing department you will see \$73,000, I believe in there. I think other services towards this homeless initiative and the balance I believe is coming from CDBG grant funds, if I am not mistaken.

Councilmember Kualii: So all housing though CDBG grant?

Ken Shimonishi: Correct.

Councilmember Kualii: And was there a corresponding amount in the current year? Or prior years? Or is this the first year?

Mr. Shimonishi: This is a new item.

Councilmember Kualii: It is new. Thank you.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Thank you, Chair. I want to go back to slide 25. And I just want to acknowledge where we have come from and where we are headed. I wish I had this diagram in my back pocket and could carry it around when we have this discussion, because I think it is an important slide. So something to be celebrated and I want to acknowledge you, Mayor, and the Administration for moving us in this direction. And yet, we do know what we want to do is increase that general fund, so that we can become a healthy organization. So the savings is still a big priority for us. And I wanted to shift the discussion towards what do we have in plan as we are developing our financial plan in terms of perspectives to continue the trend that we are moving in, in order to save towards that reserve that we need?

Mr. Shimonishi: So I think one of the things we are learning is what are our policies towards our long-term financial sustainability? What are our goals? We are working with gfoa and one of the principle elements in determining a structurally balanced budget is that your recurring revenues cover your recurring expenditures. And in past, we have obviously relied on our fund balance to cover those recurring expenditures. So I think we have a better mindset of what we need to do, of what we should be doing towards balancing our budget the last two years obviously marked improvements from where we were. And also understanding what is that reserve amount, and really expecting gfoa to provide their expertise, specific to the county of Kaua'i. How much should we have in reserve based on risk factors and what we believe is important to reserve for. That is yet to be determined, but that is kind of like where we are and how we continue to move forward, I guess in a more cautious manner.

Councilmember Chock: If I could follow-up.

Committee Chair Kaneshiro: Go ahead Councilmember Chock.

Councilmember Chock: Do we -- without raising taxes, do we have a plan how we intend to save more money? We know we still have a deficit in getting to that reserve limit that we are far off from it. Are there strategies that we have already gone through with gfoa to the point of identifying how we will do that?

Mr. Shimonishi: I would not even be able to say that we are far off from our reserve currently. I mean we have \$26.1 million in unassigned fund balance, which is considerably more than what we had in previous years. And until we get that determination from GFOA of what it is that we should have in there, it would be difficult to make a statement like that for me. What I will say is that if we continue to balance the budget in the way that we have the past two years, it is really -- I think we are assuring that we will increase the general fund equity, the fund balance. Because we tend to not be able to spend all of the money, all of the appropriations because we cannot go over our appropriated dollars and there are obviously some savings there. We also tend to bring in a little more revenues than what we budget. So given that, continuing this practice, I will expect the general fund to result in positive returns at the end of the year.

Councilmember Chock: Understood. Thank you. Thank you for that explanation.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Is it the one unpredictable collective bargaining increases?

Mr. Shimonishi: You are correct. That is and as we have shown on the various pie charts that accounts for the vast majority of our expenditures.

Councilmember Yukimura; Well we have talked about this before, I mean, often the unions will use -- point to the balance, the unassigned balance and say there is a lot of money, and by that practice you will never get a big unassigned balance. And not even big, but a best practice unassigned balance that can fulfill its purpose. You know, emergencies, unexpected downturns, 9/11s, hurricanes, whatever it is. So I am hoping that the administration in its collective bargaining strategy and the legislature will have to understand that this is an important aspect of the bargaining and negotiations. And the arbitrators have to understand that. You cannot just say oh, they have, you know, an unassigned balance; therefore, the sky is the limit for raises.

Mr. Shimonishi: Exactly. I think it comes down to how we put in practice our policies to commit funds towards a reserve, or expend towards our capital improvements. What that balance is to obviously using the resources we have in a wise manner. The example is the \$2 million towards the reroofing of the Civic Center and Līhu'e Neighborhood Center that could be theoretically be funded through fund balance as one-time expenditure. We would not expect to do that for another 25 years, but in my opinion, that would be a good use of the fund balance. We are not using that to fundraises, and things of that nature. There are other elements in the budget such as Līhu'e Wastewater Treatment Plant capital improvement of \$500,000. That would be another use of fund



balance. But just because we can identify these one-time expenditures, does not mean we should always fund it with fund balance. Obviously there is say limit to what we can and cannot do. That is a policy we want to have a good handle on with our GFOA consultants.

Councilmember Yukimura: Thank you.

Committee Chair Kaneshiro: Again I want to thank you guys for working with GFOA. I do think, hopefully our financial policy that they are creating right now will help to address that, saying once we put this in reserve, we cannot touch it. It cannot be used for salaries, which is like a catch-22. You want to save up money for the county, yet in negotiations they say you have all of this money to pay for them. Hopefully the financial policies can kind of help on that. Councilmember Kuali'i...

Councilmember Kuali'i: Along those lines, I just wanted to add too; obviously having a reserve is important, rainy-day fund hurricane fund, where we are susceptible to that need for our community. I would also add paying down debt. We have a large debt and our reserves will never be probably based on our infrastructure investment, more than our debt. But my question kind of has to do with the two slides immediately following on the overall operating budget elements by category, and then two slides later, the general fund part of that. So I just want to clarify, and you can point me if, can find this information, or if you need to get it for me. In the first slide, where you breakdown -- and obviously the two biggest pieces of the pie is the salaries at 65.5% and operations at 25.3% and combined they make up 90.8%. So then when I look further at the next two slides past, where you are just talking about general fund. It has the same amounts broken-down, with 82.3% for salaries, and 15.1% for operations. So in that instance, just looking at general fund, obviously, the salaries percent got much larger and operations per cent got smaller if. If I take the total budget and I subtract out the general fund part, would I have the balance being paid by other funds? How is the balance being paid?

Mr. Shimonishi: The difference would be the other fund, the highway fund, solid waste and golf, housing.

Councilmember Kuali'i: So the salaries, the \$123 million minus the \$13 million, gives me \$20 million in salaries is being paid by where? And I mean, of the all the other funds, two or three that are the largest, that are accounting for covering that \$20 million? Slide 26, so there is another slide. 26 is the total budget right? Then 28 shows general fund. But is there anything with the other funds? Where is that \$20 million coming from? On the website?

Mr. Shimonishi: Yeah so if we look at the general fund we have \$102.4 million, highway fund, \$8.575, liquor, criminal assets, solid waste, sewer, golf.

Councilmember Kuali'i: So the three biggest is highway fund, solid waste and sewer?

Ken Shimonishi: Right.

Councilmember Kualii:                      Okay, I got my answer. And then what about the operation side? On that one you are talking about \$47 million to the total budget and only \$18 million ---- \$19 million from the general fund. So now you are talking about \$29 million coming from other funds. Is it probably those three big funds, too?

Ken Shimonishi:                      Very likely. So again, you can see \$19.7 million general fund, \$10.5 solid waste, highways, and so on. So if you get down to the total here \$47.7 million, versus \$45 and the percentage change.

Councilmember Kualii:                      Okay. Thank you very much.

Committee Chair Kaneshiro:                      Councilmember Kagawa.

Councilmember Kagawa:                      Ken and Mayor, the reason why we are in a financial predicament is that the TAT was capped five years ago now. When they capped it, it capped us at \$13 million approximately. So then the legislature did a working group, just this past year, last year. And then the working group said we should get \$9 million more?

Mr. Shimonishi:                      \$8.6 is their estimate in fiscal 17.

Councilmember Kagawa:                      So if we are losing out on \$8.6 million that the state's working group of professionals that they found, determined that our fair share should be \$8.6 more than the \$13 million, and this Council decided to look to the real property taxes that service as a means of getting back the \$8.6 million. What accounts would we look at tax rate increases? Would that be the hotel and TVR class? And would it also include commercial class for home use or whatever? For the B&Bs?

Mr. Shimonishi:                      I think that should be a follow-up with Mr. Hunt. I believe when you reference hotel-resort, as well as vacation rental, those would be the prime areas to look at.

Councilmember Kagawa:                      I guess my question is kind of like much has been said in the public that are we collecting our fair share from the visitors, for using our island, using our services? And if I add those two groups the hotel and vacation rental group, I come out to \$48 million projected revenue. And if I add the TAT, another \$13 million that is \$61 million. And if I divide that by our total county budget projected at \$188 million. I come out to about 33% of our revenues needed to run this county coming from the visitor industry. So have we ever done an analysis statewide or with other counties to see what is a fair amount of percent? We are all driven by the tourist industry now that the sugar plantations are all gone. The base does service our residents as well but I mean I am thinking that the whole state is relying on tourists. So how much is for the counties a fair share of our budget to run this county? And I was wondering if there has ever been an analysis, comparison statewide done?

Mr. Shimonishi:                      I am not aware of it other than what was done in the most comprehensive manner across the state, which is state county function's working group.

Mayor Carvalho: That was the one to at least look at data that they collected.

Councilmember Kagawa: Is there a possibility again, this one comes from the public. Much has been said about imposing a fee on rental cars and that way at least we specifically target rental cars to generate some revenue for this county, from primarily visitors that rent cars? So I mean is there a way of imposing a specific fee every time somebody rents a rental car we can impose a specific fee? Is that a possibility? Or has that not been tested yet?

Mr. Shimonishi: I think that is something that we would need to take up with legal, whether it is a fee or a tax? And what our authority is on that?

Councilmember Kagawa: I am sure the state probably taxes them already; right?

Mr. Shimonishi: Yes.

Councilmember Kagawa: The State can do whatever they want. Counties we have to check, that is how it works. Thank you Chair.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: I guess I just want to say that the task force or the working group did a pretty good analysis. And the mayor and I went and tried our best, but I think it is important to know that -- or to understand that the state is collecting these taxes. You know, they are collecting it from the tourists. They are just not giving it to the counties. That is the issue and I think Mr. Kagawa has an interesting strategy. We cannot continue to subsidize the impacts of the tourists here on the island without the adequate funding from the state. So we have got to pay for it somehow and whether it is with rental cars, which I do not know if we can even do. But I think if it is a fee we probably could. We cannot tax them -- I see people shaking their heads -- we have not even checked yet or at least I have not. But I would assume we could do a fee, I do not know. We can ask the attorneys. Or we increase the property tax on the categories that create the impact. And let those ceos and general managers and property managers call our legislative delegation and say hey, you guys have to help us out because obviously our voices are not being heard at the state regarding the tat. The task force recommendation, in my opinion, and I think the mayor agrees, even that was not a fair share. But it got us closer.

Mayor Carvalho: Yes.

Council Chair Rapozo: To where we need to be. But even that day they are not buying into and the legislature has basically tossed that out. If we want to make a difference and it is going to take some drastic measures. But I do not know how else to create that revenue that we are losing from the TAT. The money is being collected. My point was the money is being collected. The tourists are paying the tat and paying GET on

top of the TAT and the state is keeping it all, and all we are saying just give us that additional \$8 million, or \$9 million, which is what the recommendation was.

Committee Chair Kaneshiro:                      Councilmember Kualii.

Councilmember Kualii:                      So my last question on this first presentation is on slide 18, which is the vacancy review committee and along the lines of Councilmember Yukimura's comments. I also want to say thank you and praise you for the work that has been done so far. I think we are moving in the right direction with the vacancy review committee. I do think also, and clearly because the salaries is our largest item. If we are going to find savings to our budget than that is where we have to look. So the vacancy review committee is important. So keep working. I want to ask in general, because it seems like we have a lot of vacancies. The recent vacancy report tells me there are 136 vacancies. So it is good that we have eliminated 6 positions in the last 7 years. But I think we have to do better to find where we can. And maybe -- I mean part of it, I think, and I think we have talked about it last budget cycle is that instead of -- I mean how do you look at more positions although 136 is a lot to look at. When do positions come on your radar screen, so that you actually evaluate the need for them, if you will, when there are multiple positions by the same title. Should it be more of a position review committee instead of just a vacancy review committee? The 1.03 million that is saved over the last seven years is good, but of \$124 million salary budget, it is really less than 1%. So I see by the vacancy review report for this last report up to March, I think. Yes, up to March 15th of the 136 vacant positions, 92 are fully funded. So I guess they are at some level of recruitment and then 44 are dollar-funded. I also noticed that 14 have zero funding. Is it the administration's intent in the coming year to eliminate 14 positions? I think that would be quite brave and a bigger step in the right direction.

ERNEST W. BARREIRA, Assistant Chief Procurement Officer/Budget Chief:

Good morning, Councilmembers, Ernie Barreira, Purchasing and Budgeting Chief. I would have to look at the vacancy report that you are referencing to give you a specific reference but, in terms of the vacancy review process, following fiscal 14 when we began the inception of the vacancy review committee, every position that vacates through anticipated or unanticipated attrition is reviewed by the committee. Well, is referred to the Administration for guidance in terms of review. So ultimately as the Chief Executive Officer, the Mayor will instruct us on the review of the position. Some are regulatory in the wastewater treatment plants where review may still occur in terms of reengineering, but every position vacated seeking administrative approval to review and conducting the actual review. In terms of the 14 positions, Councilmember Kualii, I would need to check in terms of the funding of those.

Councilmember Kualii:                      When you say every position will be reviewed, that means that these 136 positions that are on the vacancy report, either have or are being reviewed?

Mr. Barreira:                                      No, only the positions that vacated since the inception of the committee work.

Councilmember Kualii: If they were vacated before that is it not more important to review them? Because if they have been remaining vacant for a long time that means those are positions we can probably eliminate.

Mr. Barreira: That may be a probable point, but not the exercise of the committee.

Councilmember Kualii: So only positions that were vacant after the establishment of the vacancy review committee are being reviewed?

Mr. Barreira: That is correct.

Councilmember Kualii: So I am going want to review every position that was vacant prior to that.

Mr. Barreira: I anticipate you are going to make that request.

Councilmember Kualii: Okay.

Mr. Barreira: Thank you.

Councilmember Kualii: The other thing I would say on that, though. It seems like because this is such important work and that salary is the largest budget item clearly, we should probably get a full report from the vacancy review committee if we could, the Council, as part of budget process. Does that not make sense? Or is that some internal mechanism for you to help do your side of things?

Mr. Barreira: It is considered an internal process that is executed by the committee. There were some questions of how much of that information is considered disclosable, so I would have do some research to determine that.

Councilmember Kualii: Well obviously we would want you to disclose whatever you can so we can help with the budget and do our work. Thank you.

Committee Chair Kaneshiro: And these are questions if you want to take them back, you can email it to us ahead of time, or if you want to address in the H.R. presentation, or we can do it then also. Thank you and thanks for giving them the heads-up too. Councilmember Kagawa.

Councilmember Kagawa: Going back to the TAT, I want to thank former Council Chair Jay Furfaro, he used to pound on that TAT all the time and I thought wow he kept--- every chance he gets when we were talking about the financial predicament, he would bring that up. That really messed us up when they capped it, because they can. I was thinking that since we have some possible proposals to increase the property taxes rates on the visitor industry, I had thought it would be most appropriate that if our public knew the total picture on the TAT, not the GET...did I say GET? The total picture on the TAT as far as how much the state collects. How much gets distributed to each island. And

then how much comes to Kaua'i. Because I think there is a method that goes in: The total taxes collected of the tat, first thing they minus out certain large amounts for Turtle Bay and the Convention Center, and then they split up the rest. But Kaua'i residents do not get – Kaua'i visitors, they do not get a break on turtle bay and the convention center and Kaua'i residents do not benefit from that. I do not think in any way, very minimal. So I think just that effect that it does not help Kaua'i, yet it gets taken out it does not help Kauai, yet it gets taken out before dividing out.

I think the public needs to understand why if we need to increase tax rates on the hotel and visitor because we are recovering what is basically being stolen from us. Our residents thus --- are being asked to either cut services, or pay more tax. I think once we understand it is not a fight with the visitor industry, it is actually a fight with the state on what is our fair share to run this county. And thus, like I say, I have a proposal to generate some revenue that would possibly help to again fix the dire need projects like roads, bridges you know. I said when I voted down the G.E.T., that I had an alternate proposal and that is it actually to be upfront with you guys. I think the public needs to see that picture of the tat, before they can buy into any plan to increase any tax. But no tax is good. Every tax hurts the economy. It is not a good thing. But I think if we can have the education, the public, the businesses, and at least they will know why we are looking at this. If we can look at possibly during the revenue section, just again, doing a brief history of the tat, I would really appreciate it. If it is again too much trouble, I think I could whip together some kind of presentation and let us work together on that. Thank you Chair.

Committee Chair Kaneshiro:            Councilmember Yukimura.

Councilmember Yukimura:            Thank you. On slide 39, the CIP request to the legislature, there is no request for housing and I wondered because of the housing crisis, why?

Mayor Carvalho:                        Why there is no?

Councilmember Yukimura:            CIP request for housing.

Ms. Nakamura:                         I believe the Council submitted one request.

Councilmember Yukimura:            Yes we did.

Ms. Nakamura:                         That the administration did not support at this time, but felt it was worthy. That was the purchase of the Waipouli affordable housing.

Councilmember Yukimura:            Correct.

Ms. Nakamura:                         Affordable housing project that will be returning to private-market-rates. There are many state programs that are set up to help develop affordable housing including the rental housing trust fund.

Councilmember Yukimura: So are you saying that you decided that there is no need to make a request for CIP funding for housing? Or have there been developments such that now you are able to support the Council's request for \$5 million toward purchase of the Courtyards at Waipouli, so that the 82 families, or 40 families right now, will not have to be evicted in 2019, when the affordable housing restriction expires? And the families will have to pay market rates or move out?

Ms. Nakamura: Can I finish? The other big program is the rental housing trust fund that the county has been very successful in tapping to build all of our affordable housing projects. Now I think the intent that you have to purchase the Waipouli project to make it permanently affordable is a very good idea and I believe that is why we continue to have discussions, but it was a timing issue.

Mayor Carvalho: I was going say it is about timing and we are always looking for housing, but in this particular discussion, talking to our housing team and it is about timing. It is about connecting the dots, if you will.

Councilmember Yukimura: Well talking to our housing team – they are actually working on a scenario to purchase it. And I believe the \$5 million could help it.

Mayor Carvalho: In my discussions.

Committee Chair Kaneshiro: Sorry, let me interrupt real quick. I just want to clarify that the administration sent over a proposal to the state on projects, CIP request. And Council also sent over a CIP request. And in our CIP request we had that \$5 million.

Councilmember Yukimura: I know that. I know that. But it is not seen as a county request because the Administration is not supporting it.

Mayor Carvalho: I want to say that it is not that the Administration does not support it, but at this particular time we are going through the discussions and working through the timing of it. If it aligns with some of the things that we are researching at that time, then fine.

Councilmember Yukimura: Well I think it would really help the effort at legislature, if the Administration could say yes we support it. So that is why I am asking.

Mayor Carvalho: So I am going to say, we are looking at it and working on it. We have filled in some of the questions and making sure if this is the time to do it, than let us do it. I'm totally into that.

Councilmember Yukimura: If you could speak to the housing agency and if they are clear now on the direction that they want to take and this request could really help it, because it is not an easy one. And you know, it is quite a huge figure.

Mayor Carvalho: Yes.

Councilmember Yukimura: So it would really help if things have changed that you could signal the legislature. Thank you.

Committee Chair Kaneshiro: Thank you. That can be a question for housing. I know at the time we are talking about it, housing was not prepared for money, even if we got it. If there are no more questions on the presentation, we will take our 10-minute caption break and when we come back, we will get the Mayor's budget review presentation and we can start hitting the budget. So we will take a 10-minute caption break.

Mayor Carvalho: Thank you very much Councilmembers.

There being no objections, the Committee recessed at 10:55 a.m.

The Committee reconvened at 11:09 a.m., and proceeded as follows:

Committee Chair Kaneshiro: Okay. Welcome back and now we are going to have the Mayor's office give us a presentation on their budget. So I am going ask the Members to let them go through their entire presentation and when we are done we will take it in sections, look at office of Mayor, youth program, ADA office and office of boards and commissions. So when you take notes or have questions, keep them in that order.

Ms. Nakamura Good morning, Nadine Nakamura, Managing Director. Good morning, I am just going to go through the slides. I am going to skip through some of the slides where there is some overlap with the Mayor's earlier presentation on accomplishments. There is some overlap and I will spend more time on some of the slides where we -- that was not covered earlier. So again I just wanted to start with the holo holo 2020 vision that includes an island that is sustainable, that values our native culture, has a thriving and healthy economy, cares for all from *keiki* to *kupuna*, and has a responsible and user-friendly local government. So the mayor's office's mission is to carry out this vision, by directing management of all executive departments, offices, and agencies. We serve as a liaison between the administration and county Council and we facilitate state and federal agendas and coordinate internal and external communications, and we have some additional roles that includes supporting all boards and commissions, managing our capital improvement program, our CIP program, managing the Life's Choices Kaua'i office and emergency operations center and Americans with Disabilities Act. I wanted to go start with recognizing our exceptional county employees. These are the outstanding employees from every department that were recognized earlier this month at an employee banquet. The only person missing from here is the Council Services outstanding employee that is Nancy Wilson. When we talk about our employees, it is 1,200 employees who make up 82% of our operating budget. When we talk about the outstanding employees, you hear about hard-working, caring, and committed that they are, and all contribute to our shared vision.



There is a new set of officers for the employee Council. It is made up of 28 members and we have really tried to revive this group, because they do so much for our employees, and the morale. They came up with a new mission statement that they will be sharing with the rest of the employees. They put a lot of time into coming up with this, that they will represent all employees, be respectful of the diversity, and try and strive to make a difference in our work environment, as well as in the community at-large. Some of the concerns employees Councils have raised that we have tried to address regarding bird droppings at Līhu'e Civic Center, the need for a port-a-potty on Eiwa Road, which was installed, and well-used, and the issue of the homeless blocking the sidewalk near the entrance of Big Save. That is an idea and that is why we opened up the loading zone, it may not have solved the problem, but it is a temporary fix while we can get the KEO facility up and running. Throughout the year employees are doing a lot, contributing to the community --- that is the American relay for life team and they are just a dynamic group of people. They have revived again the employee newsletter with our editor Laurie Kelekoma, producing quarterly publications that all employees can enjoy. I wanted to touch on the--- something both the council and administration said is a priority that is the creation of our five-year financial plan.

We have engaged our GFOA consultant in December of last year. A second briefing is scheduled before the Council in May and then we are slowly developing all of these policies that will be the foundation of the plan. The structurally balanced budget policy and asset budget policy, debt management policy, reserve policy and capital improvement policies. Thank you Chair Kaneshiro for participating into these discussions. Not the most exciting topics, but important to be clear about the direction we are heading. Just wanted to touch on the grant management committee that is also an initiative, we wanted to make sure that we are monitoring not only receiving grants, but monitoring them to make sure that we are compliant with all of the regulations regarding the grants. We are happy to announce that we are now a low-risk auditee due to federally grant programs being finding-free for the past three years and really want to recognize Ann Wooton for her work in organizing this committee and she also obtained and implemented a web based bank management program called amply-fund, and all the departments can search for Federal and State private grants through this program. The new initiative now is to do grant making make sure -- to do grant-making through amply-fund. So all of our CDBG grants, Hawai'i Tourism Authority grants and general fund grants can now -- she is doing the work to set it up, so that we can do this online and make it paperless.

We are working very hard with the private sector to address the problems regarding our building permit review process and happy to say that we had seven very productive meetings with private sector representatives, architects, and contractors. People who process building permits through the county, and some of the accomplishments so far -- this is a work in progress -- but I wanted to report that we have this new pre-check system in place. So you do not enter the system until you have a pretty solid application in place. We have a uniform system now of labeling plans. So it is easy for our plan checkers to review e-plans. We have larger monitors in the Planning Department, which was a concern for some of the employees. New protocol for agency comments on plans that reduces delays--- you know, at one point they were waiting for the last agency to comment before being able to get comments to the reviewers to the contractors. So this new protocol helps. And then

we have a new e-plan status tool for managers and department heads, so they can see how long the plans are sitting in their department. These are just some of the small, but important improvements that help the system to work better. I also wanted to touch on another Council priority project that the administration has been working on this is the solid waste solution; Lyle Tabata is now taking the lead. We issued a request for proposal stage 1, which was issued in January of this year, responses are due in May of this year and the funding that the mayor mentioned earlier is to help us prepare for this next stage. We hope to whittle it down to potentially three top proposers and work more closely on those possibilities. That is another big initiative.

The Mayor already touched on this, but the phase 3 of the project. We do have \$1.5 million of state funds that was secured last year, so that will result in building additional 28 bus shelters again, this is already touched upon. The affordable housing initiatives and again, yesterday, thank you very much for passing the resolution supporting the adolescent drug treatment and healing center. Some of the next steps that will be involved hopefully, we will get the funding from the state and that request has been made, we would need to work on a subdivision application and complete the environmental assessment that has been initiated and complete more of the land use entitlements this year. Kaua'i Nui Kuapapa, has already been touched upon but a lot of progress is being made and the next steps is *ahupua'a* signage and web-based resources and curriculum. Another Holo Holo 2020 projects you will hear about in economic development's presentations and again, the mayor talked about the government efficiencies projects. We talked about vacancy review and this one was not talked about, but the land information management task force that Brandon Raines is heading up. This is a multi-agency initiative to help develop our lands information management, which is now in very different -- a lot of different formats, paper, excel spreadsheets, a lot of maps all over the place and files and so forth. So this is all to put it into an electronic format, to make it user-friendly within the departments, among the departments, and with the public. So we have secured a consultant to assist us in the design and procurement.

We have kicked off this process this year, and these committees have been formed -- you can see the range and the different types of departments that are involved in putting together this system. Because we are very far behind in getting information and using it in a way that is going to be time-efficient for your employee and user-friendly for the public. We talked about supervisory training, but I am really happy about this initiative headed up by H.R., because we are focusing training with the departments where we see training is necessary. One of the fire department ocean safety bureau division, police department and all of the other departments need to be aware -- especially the supervisors need to be aware of policies and laws and develop leadership skills. This is a really big initiative and we thank the Council for the funding to allow us to focus in on this. The procurement improvements have been talked about, and really Ernie's taking the lead on this, it is a huge initiative. It involves a lot of old-type of contracts that we are now bringing into the 21st century that can be used by all departments. We are really trying to standardize, and then put into electronic format and the next stage now that the construction projects are fully electronic, is to work on goods and services. Boards and commissions continue to do great work with our 160 volunteers. They oversee 14 boards and commissions, three advisory committees, and the four life's choices Kaua'i committees to provide training so

our boards and commissioners can be effective in what they do, effective management, meeting management, parliamentary procedures, and new member orientation. I am really happy that this evaluating department heads piece is now part of their curriculum. As was mentioned earlier by the mayor, our CIP manager Keith Suga is doing an outstanding job in coordinating our CIP expenditures, moving things along, making sure things do not stall, and if there are problems, he did a lot of problem-solving along the way to move projects along. He spent \$11 million this Fiscal Year and has more projects in the works. Very happy also with the Life's Choices Kaua'i and the work that they have done with really a one-person operation, with many volunteers in the community. Health and wellness fair was held last year with 49 vendors and just to note that the 290 participants included a lot of county employees, who take advantage of flu shots and other things that help to increase their good health.

I wanted to mention the preschool and after-school pilot program funded by the Council about three years ago. The first-round \$32,000 was given out, second round \$88,000 and this third round was about \$50,000. A listing of the different programs and the amounts of funds received including everyone from big brothers, big sisters, boys and girls club, child and youth services. These again are preschool and after-school programs. These are all preventative programs that are so important. We are very happy that the life choices updated their drug response plan in December of last year and looking at treatment, prevention, enforcement and community integration. This involved a lot of volunteers over multiple months looking at the old plan, updating it, refining it, and pointing in new directions. There again continues to be a lot of interest in our sister-city. We had a delegation of 19 from Moriyama City, Japan and another delegation from Penghu county, Taiwan that visited Kaua'i. We continue to do certificates and proclamations and you know how important this is to the people who receive them. Our guru here Cindy Ayonon, is responsible for coordinating these events and producing the proclamations, and really making it special for each of the groups and individuals who are recognized.

Just some others here -- excuse me, this is in the wrong position, but these are a little out of place. This is Life's Choices, a number of other activities that Theresa Koki, our Life's Choices Coordinator has organized over the year. As you know, our D.C. Washington, D.C. Consultant Mary Cronin has been critical in helping us move our TIGER grant along. She set up city Council meetings early on with key department heads, people who are going to be reviewing applications, getting samples, drafting letters of support, and coordinating with our federal delegation. She just continues to work with departments and coordinates all of the Mayor's presentations during Washington, D.C. visits. I think a good measure of success is when other counties want to use your D.C. Consultant. I would like to put in a plug for our communications team, Sarah Blane and Mary Daubert, they are just a tireless team. As you know when Beth Tokioka stepped down, we went three communications people to two and it is really 24/7. They take turns on weekends to cover all of the county events that happen on weekends it is a centralized operation. So I think this is the Mayor's vision to keep all of this to be the focal point and to serve all of the departments within the county of Kaua'i. They are doing so much to make sure that the media is aware of what is going on within the county, and preparing all of the speeches for the mayor and talking points as well. Our EEO and ADA act is something we take very seriously and the great news about this---the work that Linda has done, is that in the past we got 12-18 ADA

complaints and last year we had one. The reason why she is able to cut down on the complaints, she is doing it through training and it is not large groups it is a lot of one-on-one and small-group meetings and she is promptly addressing the problems before they escalate and before they become a formal complaint. We really thank Linda for reaching out with our state and federal counterparts do this work. I want to just go over our operating budget, which although our salaries have slightly increased, we did reduce the salaries, because we are -- we have moved the summer programs to -- excuse me -- to HR department. So benefits went up slightly, utilities went down slightly, our vehicle equipment leasing went down substantially, and our operations went up. And the main reason for the increase is and we will get into it, I am sure, the \$231,000 increase. So as a grant to the Kapaia Swinging Bridge Foundation, through after discussions is open and willing to take on the maintenance -- the upgrading of the bridge. So as the mayor likes to say, to paddle together, we adjust the sails and this is from last year's budget signing. We hope that we can all work together to meet the needs of Kaua'i and Ni'ihau. I also want to do a plug for the budget team that got us here today, headed by Ken Shimonishi, Ernie Barreira, Janine Rapozo, Christine Wong who is back here now and Steve Hunt.

Committee Chair Kaneshiro: Thank you for that presentation. Do we have any questions from Councilmembers? Councilmember Kagawa.

Councilmember Kagawa: Yeah I would like to go to your last slide. You had Kapaia Swinging Bridge Foundation. We just had a discussion a few weeks ago on the status. So do they have the expertise to go and procure whoever is going to be fixing it? It seems like an instance where we were letting a private group go and repair a county bridge, which seems kind of unique, I guess. If it is okay, I am all for it, as long as it gets done the right way with taxpayer monies.

Ms. Nakamura: We have been working with Lyle Tabata, and the public works division, who has had multiple meetings with the Kapaia Swinging Bridge Foundation and the residents there. So unfortunately they are not here. So I would like to ask if we can have that discussion -- it will come up, or during DPW's presentation.

Councilmember Kagawa: Oh so public works is kind of overseeing it, but it is just that it is listed in the Mayor's budget?

Ms. Nakamura: Right. That is because we have the mayor has that budget line item grant for community.

Councilmember Kagawa: So we can have that discussion at some point, but this is a unique instance or have we done something like this before? And if so, what is most recognizable project that we have done this before on?

Ms. Nakamura: We will have the answer to that question.

Councilmember Kagawa: Thank you, please do.

Committee Chair Kaneshiro: I have a follow-up question on the split up between grant-in-aid and special projects. I think in the past everything was in "special projects." What is the reason for breaking up the projects?

Mr. Barreira: Good morning Chair. As it relates specifically to the item that the Vice Chair was talking about, that is because the grant in aid--- the appropriation that comes from the Council, assuming that the Council will support that initiative, must be deemed as approved grant by law, pursuant to the procurement code. That way the entity with whom we are working will be able to receive that appropriation directly through the mayor's office and be completely in compliance with the procurement code under Chapter 1030-102, which makes it a grant approved by the Council, which is supported through H.R.S., Chapter 42F. So that is why that specific amount has been placed within that appropriation.

Committee Chair Kaneshiro: And that is true for all projects and the grant-in-aid? How do you split them up between projects and special projects?

Mr. Barreira: I think generally speaking that is how we have executed in all the departments to include the Office of Economic Development where we make specific reference to an entity or purpose and the Council approves it to proceed with the utilization or assignment of those monies.

Committee Chair Kaneshiro: Thank you. Councilmember Kagawa.

Councilmember Kagawa: Yeah just a follow-up on Kapaia Bridge. I guess have you guys prepared, so I will state it here; that I think if we are going to do a grant-in-aid to a foundation, there needs to be an advantage to the taxpayers that it is either going to get done -- we are doing it because it is going to be faster or have some cost-savings. Again, if you can have your public works be ready to answer that, and tell the public and the Council what is the advantage of going this route instead of us fixing it internally. Thank you Chair.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: So on the same item, my questions that I wrote in here were along the same lines. Further than that, if it is called a grant-in-aid, do different organizations within the community have the opportunity to apply for it and receive it? So what is the process and how are we making the community know about it?

Mr. Barreira: Very good question, Councilmember. In any appropriations to include a grant-in-aid, even though it is not approved exempt by law it does allow us to solicit competition if that is the intent of the administration. At the same time it does allow us to waive competition, so it really depends on the specific project. In many of the line items you will see the specific entity is noted, whether it be the YWCA or Hawaiian foundation or other specific entities, and in those regards we have waived competition. I think in this particular case we are looking at dealing and partnering with a

specific entity. We always have the right under procurement code, even in grant-in-aid situation to invite and advance competition.

Councilmember Kuali'i: So regardless of what the procurement code says, what do we think about the perception by the public as far as, and especially if it is being made available in different pots and different places. It kind of makes sense for it all to be together somewhere and to all be available to the public for the constituents' benefit, if you will, for the sense of that especially using the phrase "grant-in-aid." Grant in aid from the leg is one thing well and organizations as well (Inaudible) governments and such solicit that type of funding. I just wonder how you are choosing between which ones you would solicit competition for and which ones you wouldn't solicit competition for.

Mr. Barreira: I think that is during the budget process when the department heads come before and seek the Mayor's approval to advance various types of grant initiatives. There are certain requirements of course that have to be met and in every situation where a grant is awarded, it is managed through the grant program and an application must be executed, where they are specifically carrying out or conveying their intent on how the funds are going to be utilized. There are certain target dates and target points of action that are identified, so that we can make sure that they are meeting the intended purpose of the grant and that the moneys that are being paid are being paid for a specific purpose and entity.

Councilmember Kuali'i: So whether there are funds being awarded through something called special projects or something called grant-in-aid or something called something else, they are all being managed in one place by something called a grant program?

Mr. Barreira: Most of the grants that are executed through the county, even if they are located in different departments, will require some oversight and assistance through the grant -- the grant program that is currently administratively assigned to the finance department.

Councilmember Kuali'i: So the grant program is in the finance department?

Mr. Barreira: Yes.

Councilmember Kuali'i: Is there a way that this Council can get in one place, one report that gives us everything in the grant program?

Mr. Barreira: I can speak to the director and make that inquiry

Councilmember Kuali'i: I would like to see that. Thank you.

Committee Chair Kaneshiro: Any other questions for the Members? Just to clarify, we are on the Office of the Mayor including Life's Choices. When I mentioned

emailing questions, through our typical protocol through Scott guys and they will compile all of the E-mails and send it to them at one time, just a clarification. Councilmember Yukimura.

Councilmember Yukimura: Are we going over the line-item budget at some point?

Committee Chair Kaneshiro: Yes we are asking questions from the line-item budget.

Councilmember Yukimura: We are? Or from the presentation?

Committee Chair Kaneshiro: That was their full presentation. If you have a few questions on the presentation, I know for me I would like to concentrate on the budget line items. If there is a portion of the presentation related to the line item, we can take it, basically anything in the Office of the Mayor and Life's Choices and later once we are done with that we will go to (Inaudible) ADA and office of boards and commissions. So we are just on the Mayor's section.

Councilmember Yukimura: I do have some questions. Thank you. First of all, thank you for a very excellent presentation and congratulations on substantial progress in a lot of areas. I particularly -- there is a lot to be impressed by. I am really glad for the kickoff of the land management and would like a bit more information on the timetable and goals. I am also very impressed by your accessibility, Linda's equal opportunity and ADA section. Again, to me, it is such a great demonstration of getting somebody who is knowledgeable and capable to take over an area. And the measurable is very dramatic, too in terms of the number of annual complaints, and the fact that there has only been one this year. It is very, very impressive. So the question -- and I really also support and am pleased by the training that is going on by human resources. Now you mentioned that the Council gave funding. Is this funding in your budget?

Ms. Nakamura: This is Council's approval of last year's budget that included \$10,000 for supervisory training.

Councilmember Yukimura: Okay, yes, right. It is really good to see how it is being used and really good to see that the capacity of our departments is being increased by that. You said it was small, but I thought it was big in terms of financial sustainability, slide 16, your accomplishments, whether it is the uniform system of labeling plans for pre-check -- excuse me this is under "building permit review task force." To me those are really good accomplishments. Congratulations to you and the team.

Ms. Nakamura: Really happy that we have architects, we have an engineer, we have people who just process building permits for a living, part of that, so we are actually getting the feedback directly from users, and using that feedback to guide our improvements.

Committee Chair Kaneshiro: Councilmember Kualii, follow-up on that.

Councilmember Kualii: On slide 16, with all of these accomplishments listed the five bullets, do we have an estimate of how much time is being saved in the entire permitting process? From the application to receiving permits.

Ms. Nakamura: I think we will have to get back to you on that. The focus has been on e-plan review, and we also have to go and there is paper processing that is now permitted. The idea is to go through 100% electronic over time and so we wanted to fix the problems that are -- the low-hanging fruit first and work towards that 100%. And to look at the time to -- and getting good reporting, which is what we do not have right now, so IT is also involved in making sure we have reports that show -- sometimes the downtime is with the applicant because they have to go back and respond to comments. But it shows that it is a long length of time, but not due to the county. It is due to the applicant. So that is the kind of -- we need better reporting and we are working on that piece. We are also working on being able to be able to pay the building permit online, which is not permitted now, you still have to come down and physically do that. So there are a lot of other improvements, but we are kind of taking it one step at a time.

Committee Chair Kaneshiro: Councilmember Yukimura:

Councilmember Yukimura: Thank you. I see these as just preliminary steps. There is going to have to be a lot more analyses and I recall in our shoreline setback amendment to the ordinance, there was a major shift in reducing the time for people to do internal repairs and needed a setback clearance, which made no sense at all. I hope that is cleared out of planning, but those things, too. So I think when I go -- when we go to line items, I will have some questions.

Committee Chair Kaneshiro: Councilmember Kualii:

Councilmember Kualii: On slide 15, financial sustainability. The second bullet, or the middle section there where you talk about a grants management program. Called "amplifund." Where is it in the budget? Is it in the Mayor's budget or somewhere else and I will wait for an answer?

Mr. Shimonishi: Thank you Councilmember, that currently resides in the finance department's budget. It is a subscription, and I believe the number is approximately \$20,000 a year.

Councilmember Kualii: Thank you, subscription.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: Thank you, chair. Slide 11. What is problem with removing the homeless blocking the sidewalk by this former entrance of Big Save? Is that we find it unreasonable to force them to move? Or do we see it as an appropriate place for them to stay? I mean, to me, it is a no-brainer that I do not know why it is taking so long or why we find it so difficult to have -- I mean we have evidence of feces outside the county restrooms. We have had -- I mean, numerous sights of people using the restroom on the



sidewalk there, homeless, and I do not see what more evidence we need to show that is not an appropriate place to live. So I fully sympathize with the homeless trying to stay out of the elements, but that is just, to me, one of the worst places I could possibly think of to allow a homeless person or persons now to live. When employees walk here got to walk around the road and do not even want go near -- it is just, to me, it is like a no-brainer. And I know you feel it as well, but what is the difficulty with working with the police, or working with public works and removing all of the rubbish and just telling them sorry, this is not a place to live?

Mayor Carvalho: We kind of went through letting out some of the solutions to what you are just saying. Our Employee Council was concerned and we tried to work that out. Our intent was to see if we could relocate our houseless people on the sidewalks into the open area, the ending of Big Save, you see the caged area part of the whole solution, but the KEO program going to get services there. That was the big intent and we are finding that they are congregating more in that area. So we are trying to expedite that and managing that better and working closely with police to see how we can enforce those moving forward. Because now they have an opportunity to go to a place to get the services that they need. So it is kind of a catch-22, they are waiting in that particular area and at the same time, having them to relocate, yeah.

Councilmember Kagawa: If it is a county ordinance that we need, we need to draft something. Let us do it.

Ms. Nakamura: And it may be similar to a state law where similar to schools, if it is after-hours, then the police can go and arrest people who are on the premises. I do not believe according to my conversation with executive chief Michael Contrades that we have that for county facilities. So what we wanted to do, because I was at Honolulu Hale a few weeks ago and very sprawl grounds with a lot of greenery and buildings, but I did not see a single homeless person there. I am wondering what they have in place to allow the police to enforce and at this point and according to Executive Chief Contrades, we do not have something in place.

Mayor Carvalho. Even as we are talking, I am going to say as mayors statewide on what law or what kind of action we need to do collectively. Maybe it can cover all of us as we address this issue. But for Kaua'i specifically, just looking at some of the options on the table now---

Ms. Nakamura: And that could be something we work on for next legislative session.

Mr. Kagawa: Yeah, I am thinking that the longer you wait, the more entitled they feel to remain. So why wait any longer? Let us put that on the top of our priority list and let us try and get them out by next week or something. Thank you, chair.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: Along the same line --- is there a place for them to go?

Mayor Carvalho: Right now?

Councilmember Hooser: Yes?

Mayor Carvalho: Not specifically, no.

Councilmember Hooser: So I guess that is the point---

Mayor Carvalho: I am trying to address that situation.

Councilmember Hooser: I guess that is my point. We cannot get them out tomorrow if there is no place to go, and where else should they go except on public property or private property.

Ms. Nakamura: And that is why the opening of KEO during the day is an important missing component right now. So whoever stays in shelter now, in the morning, they have to leave the shelter. There is nobody there from 8:30 to 5:30 or something in that range. So by now, having the state funds, KEO can open the shelter during the day and the purpose is to now offer the assessment piece. So the state is doing a statewide database of homeless people to assess mental health, substance-abuse and income and so forth to best address those needs. So that is why that assessment piece is so critical to this whole --

Mayor Carvalho: Right, and to do it tomorrow, we can do it tomorrow, but we have that process in place to hopefully have a location to direct them to and to create a tent-city type of thing, we do not want to get into that type of setting, similar to Kaka'ako. We do not want to do that. But at the same time, I think we are on it and trying to address it, and manage it, and monitor it. And hopefully, this is part of the solution, and kind of go from there.

Councilmember Hooser: I just think we do not want to be arresting homeless -- houseless people if there is nowhere for them to go.

Mayor Carvalho: If it is Councilmember Kagawa's intent to look at some kind of law or something, but as you know, having issues on O'ahu with that, too.

Councilmember Hooser: Right.

Mayor Carvalho: So what is the right fit? Like I said, as mayors we are trying to look at that, too, collectively. What would be the best way to manage that with people right out here or right cross the street?

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: Yeah I just want to make sure because we were just talking about the homeless initiative and that all appropriate community folks are engaged in what the solutions are and what Councilmember Hooser is saying maybe there are no other locations that we can officially sanction in any way, but we can work with them to say we would rather you go there as opposed to here.

Mayor Carvalho: Yes.

Councilmember Kualii: Because that is a walkway that employees use and I know I walk there myself. And there was one individual who probably had a mental illness and he was yelling things and it seemed kind of violent and whatever, so I kind of walked a little different, further away. So I can imagine what it is like for some of the employees. But you know, Mayor, remember we brought the group, the Kaua'i homeless advocacy group to your office. So just make sure everybody is at the table and plenty of solutions before we get to the need for a law.

Mayor Carvalho: The chance to clear the walkways, to go over here for now you know? But they seem to enjoy that area so we will work that somehow.

Committee Chair Kaneshiro: Councilmember Yukimura:

Councilmember Yukimura: Maybe I need a little more clarification on exactly what the assessment center is going to do and how many people you are going to actually be able to house in the homeless shelter? I mean, you are saying they have to leave during the day. So now they can stay all day?

Mayor Carvalho: They can stay.

Councilmember Yukimura: That is the existing units and then you are going to add another 20. So that will be a total of 40?

Mayor Carvalho: 40.

Councilmember Yukimura: Okay. So 40 people/families are going to have a place to stay 24 hours a day.

Mayor Carvalho: And abiding by the policies and rules, and they would have to leave and then sign in because it is first-come, first-served and make the list and they are able to sleep at night. And that is how it is run.

Councilmember Yukimura: What happens in the morning?

Mayor Carvalho: In the morning they get in their cars and go.

Councilmember Yukimura: I thought you said they could stay there during the day?

Mayor Carvalho: I am just saying what is happening today, right now. They sleep and they leave.

Councilmember Yukimura: Okay.

Mayor Carvalho: When the program opens, it becomes a day-use area. So they can remain there, if they want to. That is the program we are working on.

Councilmember Yukimura: Okay, that is 40 people, 40 people or families.

Mayor Carvalho: Right.

Councilmember Yukimura: And how many homeless --- so the assessment center will begin to get some data and understanding of how many there actually are? What their skill-levels are? What their needs? But other than 40 people/families there, we do not have a solution yet.

Ms. Nakamura: My understanding is that you do not have to be a resident of the shelter to access the assessment center for services.

Councilmember Yukimura: Right, okay, so it has two separate functions.

Mayor Carvalho: Right.

Councilmember Yukimura: Okay so it has two separate functions. So you conceivably put 200 people through the assessment process, but for the shelter function, you are going to have 40 units or people/families, whatever that may be.

Ms. Nakamura: I just want to recognize Paula Morikami, who has been our point person on this initiative since the workshop was held. And who has been tracking the funding and helping to move the state funding along. So that maybe Paula, you can update us on the funding piece.

PAULA M. MORIKAMI, Mayor's Administrative Assistant: My understanding -- Paula Morikami, Mayor's Office. The governor has signed \$115,000 grant in aid to KEO. Once that occurs the daytime will be open for assessments, for the homeless community. In addition to that, the county's portion of this project is to house 20 additional people that are not there. The limit right now is 19. Through the governor's declaration, we fast-tracked permitting, and so we now can add 20 more beds. So those people primarily, some of them work and have livelihoods and sleep from 5:00 p.m. to 6:00 a.m. and go to work. Some of these people may be using the assessment center daytime. But the assessment program is for everyone who has no place -- I mean they need help in whether it is mental health, substance-abuse, finding a job or whatever. They will access these people to continuum of care service providers. So they will have some guidance of where they need to go. It is two separate programs, night and day. The county's participation is at night, to house 20 more people.

Councilmember Yukimura: Right. So what is the goal of the assessment center?

Ms. Morikami: That is a KEO function and with the grant-in-aid, they are planning to assess and also provide showers. I believe one meal, and restroom facilities, and basically to assess individuals to see whether or not they need assistance in whether it is drug abuse.

Councilmember Yukimura: So they are going to assess people. They have a goal of assessing so many people in the next month, or in next year?

Ms. Morikami: They will be working with the providers here on Kaua'i.

Councilmember Yukimura: Okay, I still have not heard---

Ms. Nakamura: It is really to place --- It is to determine what the needs are for each homeless individual and to steer them to the services that would best meet their needs through the process. To be sort of the guide or the person that is holding their hand through the process. Because sometimes it can be as simple as getting a state id, or a license, finding out a birth certificate, so that they can access funds that they may be entitled to. It is doing the hand-holding, along the way.

Councilmember Yukimura: I hear what the purpose is. I do not hear what the target goals are. And is this assessment center the \$115,000 going to be one-year's operation?

Ms. Morikami: I am not sure. This assessment daytime operation is totally KEO, so at this point---

Councilmember Yukimura: But we are passing through the monies?

Ms. Nakamura: We do have the grant application that spells out those details and that can be shared with you.

Councilmember Yukimura: Okay, if you can please.

Committee Chair Kaneshiro: And this will come up in housing. That is where the money is coming from.

Councilmember Yukimura: Okay, so when housing comes, I would like to -- well, prior to housing if question we can have the grant application.

Ms. Morikami: Yes.

Councilmember Yukimura: And to get an idea of the length of operation and what you expect to do during that time? Are you going to assess 100 people and solve their problems? Put them in housing, permanent housing. What are the goals?

Ms. Morikami: The program that we have agreed with KEO is a joint program and so I will give you that agreement between the county and KEO.

Councilmember Yukimura: That is very good, because that way the county can make sure that priority actions for the homeless are being taken.

Ms. Morikami: Also in regards to Councilmember Kagawa's question, we did go over to the Big Save area to let them know that they needed to clear that walkway, and we allowed them to temporarily -- we opened up the fenced area, the loading dock. As Councilman Hooser -- no, you mentioned. There are some issues there, where a couple of them have some issues. So it is hard for us to relocate them at this time.

Committee Chair Kaneshiro: Follow-up with Council Chair Rapozo.

Council Chair Rapozo: Thank you. I guess I am not clear on the current situation with KEO. Is that 19 beds?

Ms. Morikami: Yes.

Council Chair Rapozo: And those beds are available? And basically those beds are available at night?

Ms. Morikami: Yes.

Council Chair Rapozo: So they check in at 5:00.

Ms. Morikami: Yes.

Council Chair Rapozo: And in the morning, they got to leave.

Ms. Morikami: They have to leave by 7:00.

Council Chair Rapozo: By 7:00.

Ms. Morikami: Yes.

Council Chair Rapozo: And so with this new money, I understand there is money for an assessment center. Correct?

Ms. Morikami: Coming from the state.

Council Chair Rapozo: Yeah so that is going to go to KEO and KEO will deal with that, they are on their own and they will basically---okay then the county funds, which is the \$200,000 some odd thousand would be for 20 more?

Ms. Morikami: It is 20 more beds -- 20 more beds per night.

Council Chair Rapozo: Okay.

Ms. Morikami: For a 18-month period.

Council Chair Rapozo: Okay.

Ms. Morikami: And that includes not only the bed space, but also the janitorial maintaining the septic tank because it is double the size. Showers --

Council Chair Rapozo: But is that --- I am getting an echo over here -- would that be only night-time use though?

Ms. Morikami: For the county's portion, correct.

Council Chair Rapozo: So there is no day use? There is no -- I mean, in other words, it will be 39 beds, but they only can go in at 5:00 p.m. and out by 7:00 a.m.

Ms. Morikami: Those 20 people are housing for the night can also participate in the assessment part of the program in the daytime.

Council Chair Rapozo: What is the assessment program? They are going to go talk to a counselor?

Ms. Morikami: Yes. They have various counselors, various service organizations.

Ms. Nakamura: So there might be also some training and some life skill training and budgeting.

Council Chair Rapozo: I guess my question is, they do not get to leave their backpack or their bag in the room? Every morning they have got to get out and then it is a first-come, first-served at 5:00 p.m.?

Ms. Morikami: Yes. Right now the county is also providing 20 locker spaces for their belongings.

Council Chair Rapozo: Right. But when they leave, I mean, there is no guarantee that person that checked out at 7:00 a.m., will be able to stay there that night; right? I am confused. Because I guess when I heard earlier, it sounded like we were going to provide some emergency space for those people that could stay during the day. But you are saying that they have to leave the room and they can hang out, I guess, at the

assessment center and I do not know how long it takes to go through the assessment center. I think at some point, if you have 40 people hanging out at the assessment center and they already went through the assessment process, I would assume they are going to be calling the cops and saying you have to go somewhere else.

Ms. Morikami: The 20 people who stay at night and leave during the day, whether they have a job, or they can come back the next night.

Council Chair Rapozo: And there is a guarantee?

Ms. Nakamura: There is a certain number of days and we can come back to you with details. But they can stay there for x number of days. And then they have to leave. So that next group can come in. So there are some policies in place.

Council Chair Rapozo: And KEO could be contracted with that service?

Ms. Nakamura: Yes.

Council Chair Rapozo: Thank you.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: In the Līhu'e area, what is the largest homeless unpermitted encampment? Is it Ahukini?

Ms. Morikami: That is one of the major areas, yes.

Councilmember Kagawa: That is probably the largest, right? Is there a restroom over there? Do we have any port-a-potties?

Ms. Morikami: I do not believe so.

Mr. Kagawa: I guess to answer Councilmember Hooser's point, we have that area but it is not permitted, neither is this space permitted. Have we offered Ahukini, transportation to Ahukini? To them? Maybe we can try? I am just at saying, if we have them in front of real property tax and licensing, would we allow it? If they were sleeping there, because they say they have nowhere else to go, would we allow it? No, right? So let us use the Big Save entrance let us start using it. It is empty. Let us start our intention to use some of that space, whether it is for storage or something? And let us try and use that vehicle to get them out. Because I do not think that building should just sit idle without doing something. Let us start construction.

Mayor Carvalho: I know when we were talking to our attorneys, the legal issues, and we have to make sure -- I understand what you are saying.

Ms. Morikami: I believe that the assistant police chief is working with the county attorney's office to figure out a legal way to address the problem.



Mayor Carvalho: Because I know in talking with Mayor Caldwell [Inaudible] move to Sand Island because they have a huge encampment with homes over there, that are vacant. At one point we have to figure out how to do it legally and at the same time to provide services and get different tracks happening from what I understand.

Councilmember Kagawa: And regarding the large one there, instead of ignoring the Ahukini that is our lands, lagoons gave that to us and we own all of that behind the airport. If we do not have options for them, let us think about installing or leave something port-a-potties there, instead of letting them do it on the 'āina and perhaps install a water meter, so they can wash -- they can use a shower or something and let us see what cost that comes up with. I do not think -- yeah, I do not think they should go without basic service like that. Thank you Chair. Hundreds of people there, not five, not ten, hundreds.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: I would just say that obviously there is pros and cons to all of the solutions that might be considered. I just want to make sure as part of this, because it seems to be adding on to what is already existing, and trying to expand it and trying to have these day hours; that obviously, a real important component is having the restrooms and showers available. But what seems sort of logical to me and I hope that somebody has thought of it and maybe they have ruled it out, I do not know; is that directly across KEO is a nice park that is hardly used. So when there is talk with the community about possible churches that might open up during the evening hours to sleep in their car that KEO and county partners are considering that as an obvious possible option. And it would not be where tourists are going necessarily, not where county government is trying to fully operate. I mean, there are still some offices in the area, but it's a more quiet area that people do not use as much, I think, to put it under consideration.

Ms. Morikami: Councilmember Kualii, for your information, the Mayor and I, and housing met with the Pualoke neighborhood, prior to this program being organized with KEO and the Pualoke residents had some concerns even with the expansion of 19 beds to 39, because it does affect their community. So there was concern within the Pualoke community.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: So what I was hoping that would come out of the homeless summit was a housing first program, because as this discussion shows, just to create temporary homeless shelters does not work in the long-run. So I am hoping there will be a more long-term program coming out of the discussions. And I would love to be part of it as the Housing & Transportation Committee Chair. But I mean, I think we are in this discussion coming up against the limits of this temporary shelter program, because it does not solve the problem. My question is there is monies from the state -- the contract that you talk about having with KEO, is that for the shelter part or assessment part? The county contract?

Ms. Morikami: Night-time use for having 20 people.

Councilmember Yukimura: So it is the shelter part.

Ms. Morikami: Yes.

Councilmember Yukimura: The shelter part. And that part is not just for night-time use anymore, but it is also for day and night use.

Ms. Morikami: Our funding is for night-time accommodations of 20 beds per night for a period of 18 months.

Councilmember Yukimura: Okay, if it is a night-time use, they are going to keep the same policy of your out by 7:00 a.m., and you come back at night? I thought that was going to change, but I just want to be clear.

Ms. Morikami: It is going to be the same as they are doing now. All we are doing is adding 20 beds to the 19 that they have. They come in at 5:00 p.m. and leave at 7:00 a.m.

Ms. Nakamura: . But all residents will have access to the daytime.

Including these 20 people.

Councilmember Yukimura: What is the daytime? I think that is what the Chair was trying to figure out.

Ms. Nakamura: It might be helpful to bring KEO into the discussion to hear directly from them what they are proposing.

Councilmember Yukimura: I guess so, yeah. That would be helpful.

Ms. Nakamura: And all of this was vetted from the State Department of Human Services. The contract is between the state DHS and KEO.

Councilmember Yukimura: Okay, so we would like to see that contract too. Thank you.

Mayor Carvalho: Another note to this is that we also wanted to meet the guidelines of the governor's emergency declaration. We have a short window to do something, within this short window, we put the summit together, we wanted to get information so there was an urgent need to move to meet the needs of this particular declaration, which he did extend after we did something. So I also wanted to mention that we tried to do something within a given time period and we did. But it is just a small portion, like Councilmember Yukimura mentioned the housing first program. Things will unfold as we move forward, but we made it and we did it within the short time period and now we are moving forward, so I just wanted to mention that as well.

Committee Chair Kaneshiro: Thank you. Do we have any further questions on this presentation? If not, we have about 20 more minutes before lunch. I would like to start hitting the Mayor's line items if you guys are ready? Any questions? As far as the line items goes, we are looking at Mayor's Office budget, Administration and Life's Choices Kaua'i. Do we have any questions on any of the line items in that budget? Councilmember Kuali'i.

Councilmember Kuali'i: Do you have any more detail on the line item for "other services" for the last four, five years, it went from \$15,000 to \$22,000 to \$31,000? Last year was \$12,000, and proposed for next year is \$17,000. What are the biggest items included in that \$17,000?

Councilmember Kuali'i: And we can reference the page number that we are looking at.

Councilmember Kuali'i: I was just looking at the summary sheet.

Committee Chair Kaneshiro: All of the page numbers are going to tie in with what the administration has. It is on page 2. It is on the bottom of page 3, the last line item. [Inaudible] Actually okay let me clarify, so Councilmember Kuali'i is looking at the bottom of page 3. "Other services," which shows \$12,000 last year and \$17,000 this year and if you go to the very next page, page 4, it shows the breakdown of that number.

Councilmember Yukimura: Which pages are you referring to?

Committee Chair Kaneshiro: The bottom page in bold. So that line item has bottom right in bold. So that line item has Public Relations \$8,500, Mayor's Contingency \$8,500 and Other Transfer VIP.

Councilmember Kuali'i: Can I get a little bit of definition of what Public Relations miscellaneous is and what Mayor's Contingency is or Other Transfer VIP, I guess that is the category and the two items.

Councilmember Yukimura: Can you repeat that again?

Councilmember Kuali'i: A brief description of the \$17,000 broken down to public relations miscellaneous, one \$8500, mayor's contingency and one being \$8500 other transfer vip.

CYNDI AYONON, Administrative Aide: Hi, Cyndi Ayonon, Mayor's Office. In working with the budget, what I have seen through the last year is we have a lot more meetings, internal meetings. As you heard earlier, we have a lot of task force meetings. And due to some of the scheduling problems, we do a lot of lunch meetings. So sometimes we do have speakers come in. We do outreach meetings, under the public relations miscellaneous item. Under the Mayor's Contingency, we have also received quite a lot of requests from the community for special events such as participation in Kūhiō Day events, you know, other cultural events. Even as far as non-profit events such as doing

proclamations, those things do cost money as you folks know, you folks do certificate presentations, also. The frames, the paper that you print them on, it is not very reasonable and increases have gone up for that kinds of details.

Councilmember Kualii:                      Perfectly fine. I just could not decipher that form those words.

Ms. Ayonon:                                      That is what those are.

Councilmember Kualii:                      So trainings, meetings ---

Ms. Ayonon:                                      Internal meetings, special types of events that we coordinate through our office.

Councilmember Kualii:                      Thank you.

Committee Chair Kaneshiro:                Councilmember Chock.

Councilmember Chock:                      Thank you.     In the Life's Choices section, we had a long discussion yesterday about the adolescent drug treatment and healing center. And we are moving in this direction and what it sounded like to me was that we really need more support in helping to put the pieces together, so that we have a good plan that we can all agree upon and get us the success we are looking for. I was just wondering and I did not see anything in the budget that attributes to potentially having that kind of outside support, professional support or whatever you folks see on the horizon. I was wondering if there is an interest for that kind of support, since we might -- that need might be coming online.

Ms. Nakamura:                                Yes, at this point, much of the funding for the adolescent drug treatment and healing center is in the CIP budget. And we are going to have a discussion about that. And the funds that have been set aside for consultants to do the architecture design work, to do the preliminary engineering work, and to -- and part of that is getting the land entitlements in place. Now on the financing end, a lot of, too, will be dependent on what happens with the state legislature. If they approve the \$5 million CIP grant-in-aid or whether we need to possibly go out for new market tax credits or something to that effect, we may need to bring in consultants at that point. But we have not factored that in at this point. That may be a need.

Councilmember Chock:                      And just to clarify, I was thinking more about the programmatic needs that are coming up as concerns. I understand that we have other focuses first.

Committee Chair Kaneshiro:                Councilmember Yukimura.

Councilmember Yukimura:                Is the building being designed?

Ms. Nakamura: The funding is in place -- maybe we can have Theresa come up.

THERESA KOKI, Life's Choices Kaua'i Coordinator: Good morning.  
Theresa Koki, for the record.

Committee Chair Kaneshiro: The question was is the building being designed?

Ms. Koki: No at this point, not yet.

Councilmember Yukimura: Do you have a timetable? Approximate timetable?

Ms. Koki: We are going to redo our project timetable based on certain things that is transpiring at the moment.

Councilmember Yukimura: You do have a timetable though?

Ms. Koki: Yes.

Councilmember Yukimura: And is that in the change? Can you please provide it?

Ms. Koki: Sure.

Councilmember Yukimura: And how are you going to design the building before you get the operators since program services model will affect the design of the building?

Ms. Koki: Well, as you know, we have Mark Ventura, the architect, who has designed various medical office buildings. And he is working with our blue-ribbon panel and all of the people that we interviewed that run treatment centers. He went with us and Councilmember Kualii to see the other treatment centers in Hawai'i. And we are also looking at taking Norma's suggestion to go to a facility that she opened in California to look at that as well.

Councilmember Yukimura: So the thing is you are not going know the program service model until the RFP goes out and you get a respondent and choose a respondent and you would not start the building until you go out with an RFP? I guess you know you have a copy of the email that I got from Dr. Zuniga?

Ms. Koki: Yes.

Councilmember Yukimura: You do?

Ms. Koki: Yes.

Councilmember Yukimura                      Okay.

Ms. Koki:    So we can do preliminary drawings based on meetings with the community. And interviews with other people, who are working in treatment offices, and based on what he saw and what he is going to look at, and then we can start the RFP process. We cannot RFP a blank slate. So that is kind of another hard situation.

Councilmember Yukimura:                      So do you or do you not agree that the program service model needs to be known before you design the building?

Ms. Koki:    Well we know what services we want there and again, we have been working with our experts, which is the blue-ribbon panel and included our architect in those meetings where we talk about the program --

Councilmember Yukimura:                      I do not think you understand what I am talking about --

Committee Chair Kaneshiro                      Councilmember    Yukimura?    Councilmember Yukimura?

Councilmember Yukimura:                      Yes.

Committee Chair Kaneshiro:                      Let her finish and you can ask her another question. You just interrupted her.

Councilmember Yukimura:                      I started after she finished. Go ahead.

Committee Chair Kaneshiro:                      No, I think she was not finished. So if you lost the train of thought then ask your next question, but do not interrupt her when she is speaking.

Councilmember Yukimura:                      Okay. Do you want me to repeat the question?

Ms. Koki:    You just said I do not understand what you asked, program model? Again we are working with our experts who do treatment facilities for youth, residential and outpatient and even the persons in Oahu who do the assessment centers, all are working with our architect.

Councilmember Yukimura:                      The program model will be determined by your response to the RFP, so you do not know what the program model is going to be.

Ms. Nakamura:                                      Can I just interject? I would like to have Ernie Barreira talk about this. I was under the impression it would be helpful to have the operator on board to help us design the facility. And there are some procurement issues that make that a little challenging. So I would like to have Ernie Barreira describe that.

Councilmember Yukimura: Maybe you need to have or look at a model where they design-build. Maybe that is what your procurement should be.

Mr. Barreira: Ernie Barreira, Budgeting and Purchasing Chief. You have raised several issues, Councilmember. Let me see if I can dissect them in terms of design-build, we have had a tremendous amount of challenges currently with procurement. Because of an unfortunate Supreme Court decision which has placed many, many restrictions in terms of how we utilize design architects and engineers and surveyors for some reason. So we are now limited to use only professional services as opposed to what you just talked about design-build, which is going to have an adverse impact on the way we normally pursue design-build procurement. Design-build procurement is really designated by rule when you can use for competitive sealed bids as opposed to competitive sealed proposals; which is what we are looking at in terms of using the RFP method. So there are just many, many challenges. I am trying to understand your inquiry. You are concerned about an operator being selected to help design the facility?

Councilmember Yukimura: I am concerned about the building being designed before you know the program service model which will be determined by the operator.

Mr. Barreira: Understood. And in terms of the procurement code, understanding under the Supreme Court decision unless the legislature changes and for two years have not. And we need those elements to incorporate with the RFP so the proposer can say I understand, this is where you are achieving, this where you want to go, we are proposing this based on the variables defined to us.

Councilmember Yukimura: That is why you need to choose the operator before you design the building.

Committee Chair Kaneshiro: I feel like we are going in a circular motion.

Councilmember Yukimura: No, no, I am sorry. And if you read Dr. Zuniga's memo, which was a consultant that Mayor and Theresa brought in for the gathering at the Lihue Neighborhood Center. He has really key issues about how you design the building and the problem when you design it before you know the program service model. That is why I am asking. And I would not want to spend a lot of money on design, and then have an operator come in and say, oh, we have to make these alterations, because they were not considered when you built it.

Mr. Barreira: I can only speak to the particulars and requirements of the code and what we have to work with within the law. Any guidance thus far has been that we cannot advance the RFP without having some specific issues, and scope -- identified specific scope of what our project is trying to achieve in order to let that appropriate RFP.

Councilmember Yukimura: Yes. And you need to know the parameters for the RFP in order to go out with an RFP; right? I mean you need know what you want.

Mr. Barreira: The request for proposal is telling people we basically know where we want to go.

Councilmember Yukimura: Right.

Mr. Barreira: We need expert guidance how to get there. That is why you still have to have some conceptual information and some scope in terms of what you are trying to achieve.

Councilmember Yukimura: Well and I think Councilmember Chock in asking about what kind of consultant services you will need to implement this project, you know, is --- Am I misquoting you?

Councilmember Chock: No.

Councilmember Yukimura: Raised that question. Do you have in the budget the monies for the kind of consultants you will need for the implementation of this adolescent drug treatment center?

Committee Chair Kaneshiro: That is a question I think we can send over and they can respond. I do not know if they are ready to respond right now. Councilmember Kualii, you had a question?

Councilmember Kualii: Yeah I want to get back to positions actually. The largest expenditure in our budget. I see there are four positions that have new titles. Mayor's Administrative Assistant is now Chief of Staff. Executive Assistant to the Mayor is now CIP Manager, E-24. Communication Specialist is now E-52 Public Information Officer. And County Drug Coordinator is now -- was it the opposite? Which it went from what to what? Is the new title Life's Choices Coordinator or new title County Drug Coordinator?

Ms. Koki: County Drug Coordinator is the original position when Mayor Baptiste had this first---County Drug Coordinator, I think, two budget sessions ago you guys did change the name, but it was never changed in Personnel.

Councilmember Kualii: Yeah it is still not changed and the three (3) others are. When the four positions were changed from the old title to new title, was it a change in salary also? And could that have happened in the last year or this current budget or these totals the same as last year, regardless of what the title is? Page 3.

Ms. Nakamura: E-80 was previously Mayor's Administrative Assistant and when the person left that position, we reorganized to meet the current needs of the office. So that is why the communication team is down to two (2).

Councilmember Kualii: So a person with the title "Mayor's Administrative Assistant," left and new person was hired with the title Chief of Staff and the salary remained the same and classification E-80?



Ms. Nakamura: The classification remained the same, but just the working title changed. Previously the working title was "Communications Director."

Councilmember Kualii: Okay.

Ms. Nakamura: And now we changed the -- we sort of reengineered our office to try to address our current needs.

Councilmember Kualii: The next one?

Ms. Nakamura: The next one was E-24 and has always been Executive Assistant to the Mayor. That is the official -- that is the civil service position. The working title though is "CIP Manager." It is the same.

Councilmember Kualii: Two titles for the same position, same salary.

Ms. Nakamura: Yes. Actually all of the salaries -- if you compared it to last year are as of January 1, 2015, there was an adjustment that reflected the civil service increases. The civil service increases also took place in -- were supposed to -- will take place in June of this year as well, and those increases are not reflected.

Councilmember Kualii: Okay. So the next one E-26, Public Information Officer, I see two (2) positions there. And was there also then two (2) prior positions called "Communications Specialist?"

Ms. Nakamura: The other one was previously E-52 was "Communications Specialist." And that one just -- again a working title, Public Information Officer. SR-24. That did not change from last year.

Councilmember Kualii: So there used to be a Communications Specialist, E-52 and a Public Information Officer, E-26.

Ms. Nakamura: That is correct. Those are our two.

Councilmember Kualii: The Communications Specialist that was E-52 title was changed to "Public Information Officer?"

Ms. Nakamura: I can follow up on the name change.

Councilmember Kualii: If the same title, is it a range difference in salaries?

Ms. Nakamura: I think one has more seniority.

Councilmember Kualii: And these would have been encumbrances that were place from last year's---

Ms. Nakamura: Yes.

Councilmember Kualii: So prior to this year's budget, they are already in place?

Ms. Nakamura: Yes.

Councilmember Kualii: My last question about this position part of it is when I look at the vacancy report that has information from November through March 15<sup>th</sup>, I do not see anything for vacancies, new-hires, promotions for the Mayor's Office.

Ms. Nakamura: That is correct.

Councilmember Kualii: So there has not been any?

Ms. Nakamura: No.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: We are coming up on a perfect time for a lunch break. So we will be back at 1:30 and we will try to finish this up and we will continue to move on. I have a few questions.

There being no objections, the Committee recessed at 12:32 p.m.

The Committee reconvened at 1:30 p.m., and proceeded as follows:

Committee Chair Kaneshiro: Welcome back from lunch. Where we left off, we were going line items for Administration and Life's Choices Kaua'i? Any further questions from the Members? Regarding any of the budget line items for this? I had a question on the vehicle leasing. Why were we able to save on the vehicle leasing?

Ms. Nakamura: I think it is last year of the multi-year lease for the Mayor's vehicle.

Committee Chair Kaneshiro: Is it a zero payment on the last year?

Ms. Nakamura: This year there is no payment, this coming year there will be no payment.

Committee Chair Kaneshiro: And we renewed it, or?

Ms. Nakamura: No.

Committee Chair Kaneshiro: We not leasing the vehicle anymore?

Ms. Nakamura: So we own the vehicle outright?

Committee Chair Kaneshiro: Okay, lease to own. Got it. Any further questions on these line items? Then we will move on to the youth work program.  
Councilmember Chock.

Councilmember Chock: I just had a question, if you could share the departments or programs participating in the youth work? I was not clear which were.

Ms. Nakamura: Okay. So there are two programs that -- are we on "youth?"

Councilmember Chock: Yes.

Ms. Nakamura: There are two programs. You can see that we are transferring two programs out of the Mayor's Office. So there is an internal in-house program and that is the first item there. The idea there is to turn that over to the Department of Human Resources, because the HR Department already runs the youth program relating to Parks and Recreation in the summer program. So rather than have two sets of offices doing similar work we just wanted to consolidate it all in the HR Department, just for efficiencies. Then there is a second component to this program that is related to youth work program with private businesses. That one -- excuse me -- we wanted to transfer that out to Kaua'i Economic Development Board who was interested and I do not see that reflected here. To allow -- this is a shared work program where a student -- these are college students, have a 6-8-week summer internship with businesses on Kaua'i as a way, as an introduction, to a field of interest that they are studying in college, but to have work experience on this island. And then hopefully, the idea is to make sure that the employers are familiar with them, and if it works out, they may have a job when they return home. So this is sort of a transition program, and ways for our college students to get some real-life experience.

Councilmember Chock: So just a follow-up. So this \$10,000 that you have budgeted for is what you are referring to? Does that need to be updated in terms of encumbrances?

Ms. Nakamura: Yes I would like to confer with my budget team. I thought we are going to move in that direction. One second.

Committee Chair Kaneshiro: We can come back to that or you can send us an e-mail.

Ms. Nakamura: We may need to clarify this one in -- both programs were working out of Mayor's Office, and we just thought that again, just for ease of implementing the program, because better done elsewhere.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Try explaining the summary term 'in-house?'

Ms. Nakamura: So what we do every year, before the summer, is we ask the departments to submit a request, if they wanted to -- want to use a summer intern. What specifically would that summer intern do? And how would you measure the results of it? So we give an opportunity to the departments, and then they come up with specific programs, energy-monitoring or different programs within each department. Then we try to match the student's interests with the project needed and it is a short summer internship.

Council Chair Rapozo: And you are moving this over to HR?

Ms. Nakamura: So HR already---

Council Chair Rapozo: What is the strategy?

Ms. Nakamura: So HR already does--they hire hundreds of volunteers -- excuse me, student -- summer-hires, a lot of them are college students to do the summer fun program. So they already have -- they are processing quite a few applications and so forth. So this is a smaller subset of workers that are.

Council Chair Rapozo: Okay and what will the -- is it still going to be \$24,000? I guess I could look in hr.

Ms. Nakamura: Yes.

Council Chair Rapozo: So you are just moving it to HR?

Ms. Nakamura: That is right. It is a transfer.

Council Chair Rapozo: Okay and then the \$10,000 may be going to KEDB? Is that what you said?

Ms. Nakamura: Yes. I just want to double-check with Cindy, when she arrives and I will get back to you on that.

Council Chair Rapozo: Thank you.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Thank you. I do not need it now, but I was hoping in the future -- maybe later, I can get a copy of which departments are participating in the work youth program with their own internships? And I was also wondering if we get any assistance from, like for instance workforce investment monies to substantiate this program? And if we have thought about that in the future?

Ms. Nakamura: Yes, I believe they applied for and received some fund for this year, for this summer, to especially help students with disabilities.

Councilmember Chock:                      Okay.

Ms. Nakamura:                              So that is a new program that our ADA coordinator learned about at a conference, came back and worked with Ka'eo Bradford and together applied for and received some of the funding.

Councilmember Chock:                      Thank you.

Committee Chair Kaneshiro:              Any further questions? Councilmember Kuali'i.

Councilmember Kuali'i:                      I know you are on this section with youth. If you are going to end that section and move to the next section, before you do that, I want to move back to the last section. I am sorry, I was two minutes late, but I missed that on positions.

Committee Chair Kaneshiro:              Okay well let us finish this one up. Any further questions for the youth workforce program? We are not going to come back to it.

Ms. Nakamura:                              Can I respond to that question? Councilmember Chock, just wanted to say that every year the list of the departments participating will vary. So do you want last year's list?

Councilmember Chock:                      This coming actually.

Ms. Nakamura:                              This coming year's list. I do not know if the requests went out yet.

Councilmember Chock:                      That is fine and a future date. I was just interested in it.

Committee Chair Kaneshiro:              And for your information we received the contract with KEO and we have a copy of it, Paula sent it over. Councilmember Kuali'i.

Councilmember Kuali'i:                      My questions back on the original positions page, page 3. I had asked the question about the positions, and the report that I received from November 16th, 15 to 3/15/16. It had all vacancies and rehires, transfers, reallocations, and promotions. And then there was none for the Mayor's department in that period. But the second part of that is what about the prior period? So from July 1, 2015 to November 15, 2015? And I bet there are prior reports that I can go look at, but you can probably tell me.

Ms. Nakamura:                              There were no changes.

Councilmember Kuali'i:                      So all of these changes earlier, talking about the titles and increase, that already happened. So the only thing about the increase is that because it went by me pretty quick. So the "e" before any of these positions mean they are

appointed positions, but only the top two positions, the Mayor, and the Managing Director are included in the Salary Resolution that we just worked on?

Ms. Nakamura: That is correct.

Councilmember Kualii: So all of the other positions, they are not represented by union contracts, and they are not in the salary resolution?

Ms. Nakamura: That is correct.

Councilmember Kualii: So when you said the comment about they have civil service increases included, what are those increases? When do they happen? And is there a way to get in one report all of the positions affected? When they were affected and how the decision is made whether those increases are given or not?

Ms. Nakamura: Yes. In fact, we did in the salary discussion-salary resolution discussion, we did send over a response to that very question. It was a confidential attachment to the -- and it is confidential because it names very specific positions. So all of that is included as Attachment A, in the confidential memorandum to the Council.

Councilmember Kualii: So it lists all of the positions that are E in front?

Ms. Nakamura: That is correct.

Councilmember Kualii: Throughout?

Ms. Nakamura: For all of the appointees. The question was asked for all of the appointees, not covered by the salary resolution, what are their current salaries and what is proposed in the current budget?

Councilmember Kualii: Okay but it does not necessarily -- my question now and you can be general, not about specific positions is that what once a year there is a civil service report that tells you what those increases should be, if you are considering them?

Ms. Nakamura: It was based on negotiated salary increases for their union counterparts.

Councilmember Kualii: So the union has the contract with the raises. And then the top -- the Mayor and Managing Director have it in the salary resolution, but those positions in between does not have any guaranteed raises. But the Administration is choosing to follow the union raises.

Ms. Nakamura: In this situation, previous years, the Mayors choose not to freeze the rates during the recession years and this year, allowed the increases for the Mayor's Office to kick in as of January 1, 2016.

Councilmember Kualii: So that is mid-Fiscal Year?

Ms. Nakamura: That is correct.

Councilmember Kualii: And the plan for the New Year's budget is to do the same thing a year later?

Ms. Nakamura: It is just to keep the January 1, 2016 rates stable.

Councilmember Kualii: Throughout the 12 months of the new Fiscal Year?

Ms. Nakamura: That is correct.

Councilmember Kualii: So whatever happened on January 1st, the plan is to keep that in place for a year-and-a-half?

Ms. Nakamura: For the Mayor's office.

Councilmember Kualii: For the Mayor's office. What about the rest of the county? Is there a blanket policy that the mayor sets as far as what happens with regards to all appointed positions?

Ms. Nakamura: Yes. There is for the other union -- the other appointees, there is also a June 30, 2016 increase.

Councilmember Kualii: And when I look for Attachment A, I will be able to see just those positions and what those proposed increases are?

Ms. Nakamura: That is correct.

Councilmember Kualii: Thank you.

Ms. Nakamura: And if you need more, then just let us know.

Committee Chair Kaneshiro: Any further questions from the Members?  
Councilmember Yukimura.

Councilmember Yukimura: Yes. I have your copies of the email from Dr. Steven Zuniga dated July 27, 2011. And I am just going to pass it out, because it is a very detailed recommendation about how to design and build a building. And also, he says that there should be a two-day strategic planning to find out what happened with marimed on the big island and the result of spending \$2 million? At least \$2 million spent and the thing closed down. So that is one of the things that we need to avoid. My question is on the Life's Choices program, what exactly are the goals for the next year? Oh by the way, I sent this to Johnny Silvian and Theresa on July 29, 2011.

Ms. Koki: Thank you. So I do not need another copy.

Councilmember Yukimura: Yes.

Ms. Koki: So the goal for the Life's Choices office is all in this book that we just recently completed in December 2015. And it represents the overall budget process, the four-pronged approach to substance abuse, prevention, treatment and enforcement and community integration. I believe you got a copy of this.

Councilmember Yukimura: What is the span of the plan? How many years?

Ms. Koki: It is five (5) years, like all the others.

Councilmember Yukimura: So what are the one-year goals? I would like to have that in writing.

Ms. Koki: I already sent you folks the whole copy of the drug plan.

Councilmember Yukimura: Do you have a one-year goal in there?

Ms. Koki: I think there are various timelines for each group.

Councilmember Yukimura: I would like to know the one year goal that is matched to this budget. So you have a request for a variety of monies, and I would like to know what your goals are, and how you are going use that money, and maybe you do not have enough money. But to reach the goals for one-year--- So at the end of the one-year, we can say this is what you wanted to accomplish, and this is what you have done, and where you have exceeded, or maybe you fell short.

Ms. Koki: Most of our goals are not that short-term I would outline -- summarize all of the goals for you and show you -- some of them are ongoing.

Councilmember Yukimura: Well hopefully they are smart goals, right? Specific, measurable, whatever. Okay. So you are going submit that then?

Ms. Koki: Sure.

Councilmember Yukimura: Okay. Thank you very much.

Committee Chair Kaneshiro: Any further questions for Administration and Life's Choices Kaua'i? Council Chair?

Council Chair Rapozo: I apologize, but I am looking at the SR-24s, and I am not really familiar with how that works, but I know it is -- I look at our Council budget, and we have a few SR-22, SR-24 and most of the positions here do not have a SR



rating. But I guess I can get that later. But as far as the Mayor's budget, I noticed the SR24 range from \$78,624, \$72,648, and \$68,033. How is that determined?

Ms. Nakamura: I believe one of them is a contract and not a civil service position.

Council Chair Rapozo: None of them are civil service right?

Ms. Nakamura: Excuse me, not exempt. There is actually a contract and the others are based on length of service, based on responsibilities.

Council Chair Rapozo: Which is contract? I am assuming it is the one without the "E."

Ms. Nakamura: That is correct.

Council Chair Rapozo: That would be Theresa?

Ms. Nakamura: I would like to refrain from naming specific names.

Council Chair Rapozo: County Drug Coordinator, how many do we have? I am not mentioning her pay.

Ms. Nakamura: I think during the process -- one of the -- just reminders for everybody, if we could stay away from naming names on the public record, if we can talk about positions, but not names, if possible?

Council Chair Rapozo: Okay. Is it not public record though?

Ms. Nakamura: You know, we were having this discussion too about the level of detail that is provided in here. The county attorney has just put us on notice to be careful about what is conveyed on record.

Council Chair Rapozo: I guess the question is the budget, is this public record? It is on the web. It is on the internet. County Drug Coordinator, only got one. I am not trying to be difficult. I am just saying, it is what it is.

Ms. Nakamura: It is. In this situation and in other situations, I am just asking -- I am just following the directions from our county attorney.

Council Chair Rapozo: Well, I think the county attorney cannot supersede the law. And I do not know -- anyway. We are not going to get into an argument. I guess my question is, if I look at the salaries, and this is probably going to put Theresa in an awkward or uncomfortable position, but I just noticed that her salary is a lot lower than many of the others, and at the same time SR rating. But I think we have talked about the last day or two about how hard she has been working and is it that like her own -- do you

have your own division? I am not sure how the structure is. I thought you had your own and maybe I should ask you guys because --

Ms. Nakamura: It is an office of one, similar to the ADA - EEO.

Council Chair Rapozo: And your responsibilities are--- I am not saying that -- I do not want to get into who works harder or what? I am just looking at responsibilities and the tasks she is faced with, with this adolescent drug and coming to face Councilmember Yukimura and the Council and that is just the truth. She has a huge task. She has to come here and answer a lot of questions and dealing with the state and everybody. And at the same Sr rating, but her pay is substantially less.

Ms. Nakamura: There are many steps in every SR rating.

Council Chair Rapozo: So there are steps? What do the steps go from?

Ms. Nakamura: A through L.

Council Chair Rapozo: Again, Public Information Officer makes \$10,000 more same SR rating.

Ms. Nakamura: Because there are multiple steps within each SR.

Council Chair Rapozo: The difference is huge, like \$10,000 a year. Okay, anyway.

Councilmember Kualii: Just a quick follow-up on that. What is the difference between having the E and not having the E? What did you mean when you say "contract?" How is it differentiated? They are both SR-24, but one has an E and one does not.

Ms. Nakamura: The e is the exempt position, which is an appointee and I think there is a history to this position; maybe it may have been a grant-funded position at one point. But it was -- there is some history and we can ask the HR director to come to answer that question. But there is --

Councilmember Kualii: As far as you believe it is just a matter of how it was funded.

Ms. Nakamura: How it was initially set up. So there is a contract that is renewed every year and this is the only position.

Councilmember Kualii: And there still is?

Ms. Nakamura: Yes, we continue an annual contract.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro:           Councilmember Yukimura.

Councilmember Yukimura:           I am sorry. I am looking at the KEO contract I thought was for 18 months, but it is for 12 months in the contract.

Ms. Morikami:                       Initially the governor's declaration was for a 12-month period and he extended it for another six months. So we figured out what it would cost for 18 months.

Councilmember Yukimura:           So this \$115,000 was it? Oh, no. So the \$115,000, that is for the assessment center; right? And this contract is for how much? Oh, okay.

Committee Chair Kaneshiro:       Again, this might be a better conversation when we get to housing, because that is where the number actually is. I do not want to linger too long on it, but if we can answer questions now that are quick, I do not mind staying on it. I am sure we are going to have this conversation again, when we go through housing, because that is where the number actually is.

Councilmember Yukimura:       Okay and you may not have the information now. Maybe if you can get it by the time it comes to housing?

Ms. Morikami:                       And your question was?

Councilmember Yukimura:       How much is this contract for? And what is the source of money?

Ms. Morikami:                       Totally it is for approximately \$240,000, which covers 18-month period of which part of it is coming from CDBG grants.

Councilmember Yukimura:       Okay.

Ms. Morikami:                       And you have a document there that shows how much is coming from CDBG.

Councilmember Yukimura:       A document – it is in the contract or someplace else?

Ms. Nakamura:                       So maybe we can continue the discussion during the housing agency presentation.

Committee Chair Kaneshiro:       And we can prepare questions ahead of time on it.

Councilmember Yukimura:       Okay, because the contract is made out for 12 months and the intention is 18 months. My question is also do you plan to do a contract extension or have you changed your mind that it is going to take six months to set up? I just need the explanation for the difference.

Ms. Morikami: And housing has all of that information and they will present it to you.

Councilmember Yukimura: Very good, thank you. I just wanted you to know my questions ahead of time.

Committee Chair Kaneshiro: If after you review it, and you have more questions, you can send them over and they can probably try to answer it before the meeting or least be prepared to answer them at the meeting.

Councilmember Yukimura: I have one more question for Life's Choices. There is an annual drug summit \$9,000. And maybe you can explain. We have this summit every year?

Ms. Koki: Yes, we do, but we have skipped a couple of years, not in a row, but only if we have something major to do. This year's summit will be focused on trainings, and different breakout sessions.

Councilmember Yukimura: How does this summit work towards achievement of your one-year goal?

Ms. Koki: It really depends. Like one of the things, one of our goals is to continue training, and we kind of combined a lot of goals in the summit. One year we just worked on the drug plan at the summit, and a lot of different things -- speakers. One year we started the treatment center idea.

Councilmember Yukimura: So in your plan, do you have measured indicators?

Ms. Koki: Not indicators, but it is not really precisely measured. We are going start some benchmarks here.

Councilmember Yukimura: I think we want to know is drug use by kids going down. Are we achieving, you know, what is the impact? We want to reduce drug use on this island. We want to increase enforcement. We want -- we have identified the key prevention programs that will keep our kids from falling off the cliff. So what is the numbers that we are accumulating in doing that? Just like with your ADA Coordinator, you know, you have ten complaints, or 15 complaints a year and one goal is to reduce the number of complaints. So we are looking for some measurables and if you could include in your one-year goals what the measurables are, and how you want to affect those measurables by what you do during the year, with your budget, that would be really helpful. Thank you.

Committee Chair Kaneshiro: Any further questions for Administration or Life's Choices Kaua'i? If not, we are going move on and not turn back. And we actually -- we actually went through the youth workforce program already. This is the one time in the entire budget I will see if anybody has a question on it. If not, we are going to continue to

move on. In future meetings, once we get through something, we are going to keep moving. Because a question might come up again when a Councilmember was not here that was already asked and we are going to be going through the same thing again.

Councilmember Yukimura: Question then.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: While I was late you did the youth work program already?

Committee Chair Kaneshiro: Correct.

Councilmember Yukimura: The one with private businesses?

Committee Chair Kaneshiro: Right.

Councilmember Yukimura: Okay. I will watch the tv.

Committee Chair Kaneshiro: Okay. Next we will go to the ADA office. Do we have any questions on ADA?

Councilmember Yukimura: I do.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Do you have some annual goals, ADA Coordinator, is she here?

Ms. Nakamura: Sorry our ADA officer is on an extended sick-leave, and we will gather questions and respond in writing, if that is okay?

Councilmember Yukimura: That is fine.

Committee Chair Kaneshiro: So maybe for this one, if she is not here, maybe if there are questions that you think the Administration can answer now, we will ask those. If not, we may just have to send emails through on the questions that we have for this.

Councilmember Yukimura: So I would like to---

Ms. Nakamura: And she is more than willing to respond in a timely manner.

Councilmember Yukimura: I would like to just articulate my questions and have them go back to the ADA Coordinator for response in writing. Okay. So my questions are basically the same ones I asked the Life's Choices Office. What are your goals for the

year? What are your measures? And we have already seen one in your report, which is number of complaints. She may have training goals as well, given her approach. But so how is her budget tied to achieving the goals this year? Thank you.

Committee Chair Kaneshiro: Again, we can email questions if we think of them. As we go through this budget, we are going to go through it and we are not going to move back. If something allows us not to be here at that time, we will just have to email the questions, rather than bring everyone back. Any further questions for ada? Okay. Office of Boards and Commissions, do we have any questions? Councilmember Kuali'i.

Councilmember Kuali'i: The one just on the analysis that jumped out and I need to look at the detail. Was basically -- it is a decrease on the line item of "other services." I guess it would be on page 13 or 14.

Committee Chair Kaneshiro: Page 13. Page 13 middle-bottom, kind of--

Councilmember Kuali'i: The explanation is there.

Committee Chair Kaneshiro: Any further questions from the Members? I had a few questions. On that line item, "other services," legislative tracking website, the cost went down. What is the legislative tracking website and why did the costs reduce on that?

Ms. Morikami: Paula Morikami, Office of the Mayor. I am coming up only because this was instituted when I was on boards and commissions. We budgeted \$15,000, but the actual is \$12,500 and basically putting the tracking website up for Council and Mayor/Administration's use. So we anticipated it being \$15,000, but we got a break. So it is \$12,500.

Committee Chair Kaneshiro: Okay. Anyone else have questions for boards and commissions? Councilmember Yukimura.

Councilmember Yukimura: So I see that you have commission travel. Sorry, thank you. I see you have commission travel included but I do not see Planning Commission. Is there a reason Planning Commission is not included?

JAY FURFARO, Boards and Commissions Administrator: The travel -- Jay Furfaro, Boards and Commissions. The travel associated in the budget really relates to the carry-over of the past with police, status of women, and fire. The Planning Department has their own travel budget.

Councilmember Yukimura: Okay. So the reason they are separate is historical.

Mr. Furfaro: Yes.

Councilmember Yukimura: Okay. And then my same question is goals and objectives for Boards and Commission this year?

Mr. Furfaro: I have identified them in my quarterly report. I can get you a copy of that, but it relates to the fact that this is a Charter Review Commission year. And certainly one of the high-priorities for us is to be timely, to be able to educate the community on the proposed amendments. That is really high on our tracking and also added a training session. I think Managing Director touched on that earlier, but we are adding a particular piece that deals with the evaluation process of various commissioners. And so we have four training sessions identified this year. We have completed two. And obviously, in the third-year cycle our goal is to have all vacancies on boards and commissions with departing commissioners filled by the end of April.

Councilmember Yukimura: Good. So are you referring to the evaluation of department heads by the commissions that appoint department heads, when you talk about training?

Mr. Furfaro: That is correct.

Councilmember Yukimura: Has the Council been included in these trainings? We do evaluate two department heads.

Mr. Furfaro: The notices came across, and I can recirculate that. The session for that is not until May 3<sup>rd</sup>, I believe.

Councilmember Yukimura: I think it would be valuable. I mean, because I have been proud of the Council in terms of how we are professionalizing our procedure and process. But I think some training would be useful to us, too.

Mr. Furfaro: Councilmember, I will be glad to send that over to you, and obviously, it is an ongoing through, starting with continuity and training to keep historical data and so forth. So I will be glad to send that over.

Councilmember Yukimura: Okay great. Thank you very much.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: I guess the question is, would it be a big problem to move over all of the commission travel experiences under the Boards and Commissions Office?

Mr. Furfaro: The administrator in the Boards and Commissions Office currently tracks all of that. I believe it is possible. I would like to think there is some discussion about it earlier though.

Council Chair Rapozo: I just think the ease of budgeting and as we go through the budget, it is a lot easier if it is all-in-one place. I just think it is rather than jumping all over the place, trying to find -- this is only for the commissioners, right?

Ms. Nakamura: We would like to -- I know this has been discussed before. I would like to touch bases with the Planning Department, and Boards and Commissions and then definitely get back to you on that.

Council Chair Rapozo: Okay, thank you. You have Board of Review, Police Commission, and Fire Commission.

Mr. Furfaro: And the Status of Women for their travel budget. It is very small.

Council Chair Rapozo: They have a travel budget as well?

Mr. Furfaro: Not a travel budget, but a line item.

Council Chair Rapozo: Yes. I am just looking at the travel. So if you can just check that out, and I guess it would be easier to just easier to follow if it is not that big of a problem. Thank you.

Committee Chair Kaneshiro: Any further questions from the Members? If not, this is our last item for today. So if there are no other questions, I just want to thank everyone for a good first day of the budget. I want to thank the Mayor's Office, very good presentation, real clear. And thank you for being available, for answering our questions. So you will be seeing a lot of us for the next two weeks. Members again, I know as budget gets harder to send questions in ahead of time, but if you have questions that will take time to answer, please try to get them in ahead of time. Nadine.

Ms. Nakamura: Can we make one request? Last year we answered a lot of questions on the floor and those same questions that were answered verbally were then put in writing, and so our staff then had to -- so there are a lot of questions, and so we were wondering if it is possible, if you feel the question is adequately answered before the body, whether the same questions do not come over in writing, would that be okay?

Council Chair Rapozo: Staff, is that something we can and I guess Councilmembers as you get your answers. Like I had these questions today, but the contract was provided.

Ms. Nakamura: So can we cross that--what happened last year we received the same questions.

Council Chair Rapozo: I can imagine.

Committee Chair Kaneshiro: The difficulty on our side, if the question is not fully answered or maybe Council staff knows it was answered to satisfy the Councilmember, then they are going send it over. If you think you have answered it, just say we answered it in -- we believe we answered it on the floor and if you need more information, we will provide it, if that is easier?



Ms. Nakamura: That would be fine and we will instruct department heads to follow-up in that manner.

Committee Chair Kaneshiro: If not, I would hate for us to have a question that did not get answered to our satisfaction and it is kind of in limbo where we answered it, but no we want an answer. So you can just say we believe we answered it and hopefully we get what we need. Councilmember Yukimura.

Councilmember Yukimura: If that answer comes back and we feel it was not answered, and/or we would like to have it in writing, I would like to have that option, because it is easier to have it in writing than goes back to the tapes to figure it out.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Just a process question, chair? So the questions in order to get timely response, and the Administration does not get them and continue to have them, is there a time frame you would like these to be sent to staff? So I am clear how we structure this questioning process.

Committee Chair Kaneshiro: The sooner you can get the questions to the staff, the better. Obviously our questions are centered around what are we going to do when we have to make a decision on the budget? What are we cutting? What are we adding? What are we looking at in the budget? I mean, if we have questions that are more policy questions, or bigger questions like that, those are questions that we could probably get through in a different type of meeting. But I mean, the questions we are sending to them are questions that are going to help us make a decision on are we satisfied with the number that we are looking at or are we making a decision on we want to cut it or leave it? So again, I think as it goes, we don't necessarily need to get the answer up here, but we need the answers. If you are really thinking about seriously cutting a number and you want to know what is involved with that number before you cut it, then that would be something that you would want from the admin. But it does not necessarily need to be answered up here. Say it is after the meeting you thought about it and there is a number you need more information on? So there can be information getting through without having to be done up here. Any further questions?

Council Chair Rapozo: I do not have a question, but I just wanted to say that the response over the last several years have been very quick and complete, and thorough. So I want to thank you folks. I remember the days we would come three weeks after the budget, you know? But you folks have really responded well, and most of the stuff has been answered on the floor. Thank you for your quick response. Thank you.

Committee Chair Kaneshiro: Again, I think if we are looking at the budget the day before, if we can put our questions together and send the questions out that day, than probably by the morning the staff could get the questions sent to admin. Again, I know there were a lot of questions going through last year and I believe you answered a lot of them to our satisfaction and the budget was able to run smoothly and with all of the hard work of you folks answering them too. So I really appreciate that. With that I would like to

recess the departmental budget reviews and we will reconvene 9:00 a.m., on Monday, March 28<sup>th</sup> and we will hear from the department of public works. So everybody enjoy your three-day weekend. Happy Easter!

There being no objections, the Committee recessed at 2:14 p.m.